

2025.02.25

3.8 Deputy J. Renouf of St. Brelade of the Chief Minister regarding a review of current Island regulations (OQ.50/2025):

Further to the chief executive's statement that Jersey is "over regulated", during his speech at the recent Chamber of Commerce lunch, will the Chief Minister advise whether he intends to undertake any review of current Island regulations, and if so, in which areas, and if not, why not?

Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter (The Chief Minister):

Some work is already underway to review regulations. For example, Deputy Gorst has started a review of Jersey's economic competitiveness and growth, particularly in the financial services sector. The Minister for Treasury and Resources alluded to that in an earlier answer. This will include a review of the regulatory regime. Deputy Luce has announced improvements to the planning system and there is a wider review of planning regulation ongoing. That will shortly be going out to public consultation. Changes are also being considered to the Alcohol Licensing Law, new Control of Housing and Work Regulations have been lodged and the answer to the original question is that we are considering a government-wide review of all regulation.

[10:30]

We have not decided if that is absolutely necessary yet, as we are focusing on areas we believe to be quite heavily regulated. In the meantime, Ministers will continue to look for opportunities to reduce regulatory burdens and streamline processes.

3.8.1 Deputy J. Renouf:

I thank the Chief Minister for his answer. It was noticeable that the focus is very much on Government and business in terms of over-regulation. Can he confirm that there is another side to the regulatory question, which is that the public also have an interest in regulation and, indeed, in the protections, the economic level playing fields and so on that regulation can bring? Can he reassure the Assembly that it will not just be a question for business and Government, that the public will also be invited to contribute to any reviews of regulation?

Deputy L.J. Farnham:

Yes, I can. I am not sure whether the public will be invited to consult with every bit of regulatory regime we are looking at, but planning is a good example and the Minister is going to public consultation on that soon. Of course, we recognise there are very necessary and important aspects of regulation. Regulation provides a safety and well-being for Islanders and that is areas where it would be absolutely appropriate to seek public consultation, should we wish to look at those.

3.8.2 Deputy T.A. Coles of St. Helier South:

As alluded to in the previous question, there are certain aspects of services that are provided to the public that are not provided by Government, therefore a base level of competency should be assessed, and this can be achieved by regulation. Does the Chief Minister then think that these kinds of regulations should still be a priority?

Deputy L.J. Farnham:

I wonder if the Deputy could allude to the regulation; he lost me a little bit there. I am not quite sure what he is referring to.

Deputy T.A. Coles:

Certain services - for example, counselling services are something I have mentioned previously - are currently unregulated within Jersey, so anybody can call themselves a counsellor and offer support to people for their mental health. Without any form of regulation in this area there is no minimum level of qualification required.

Deputy L.J. Farnham:

While I would have to think about that, generally, professional qualifications are required by the associations that govern those sorts of areas of business. There is also legislation that also acts to protect ... but I am not sure what the answer to that ... we would have to consider that. I am not sure there are any major gaps in that area of the market, although we have been made aware of people practising without the necessary regulation in the past. Short answer is, it is something we could look at, but we are reluctant to introduce new regulation unless it is absolutely necessary.

3.8.3 Deputy T.A. Coles:

There are many industries like this, including dentists as well as people who provide cosmetic procedures. Some of these services, again, are not regulated in any way. Should not public safety come before red tape?

Deputy L.J. Farnham:

Yes, I believe public safety should always come first, but that is not to say we have to regulate every single activity. We need to be considered in what we do regulate. I hope to reassure Members that public safety and well-being are at the forefront of our thoughts on regulation so when we look at areas that are over-regulated, we will always bear that in mind.

3.8.4 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

Has the Chief Minister been made aware of the work that the director of the Ministerial Support Unit had been tasked with - and I do believe commenced under a request from the former Chief Minister - to identify regulations that can easily be removed because they are now superseded or in place with little effect?

Deputy L.J. Farnham:

We will utilise that work on our quest to continue to reduce unnecessary regulatory burden.

3.8.5 Deputy A.F. Curtis of St. Clement:

Will the Chief Minister be making it clear the difference between regulatory burden and the level of regulation in any consultation?

Deputy L.J. Farnham:

We will try, yes.

3.8.6 Deputy A.F. Curtis:

The examples of regulation the Chief Minister gave earlier described problems that his Ministers seem to be wanting to solve regulatory burden. Does he think it is appropriate to continue a narrative of over-regulation when the key areas he wishes to solve seem to be the burden of regulation on businesses, not the fact that it exists?

Deputy L.J. Farnham:

I think we are talking about terminology. I will try and simplify it. This Government believes that in certain areas we were over-regulated. Now, we can call that a burden, we can call it over-regulation, but what we want to do is to make sure we have appropriate regulation - regulation that benefits our community and our society - and we are trying to find the right balance. If that helps.

3.8.7 Deputy M. Tadier of St. Brelade:

Will the Chief Minister state whether he believes the C.E.O.'s (Chief Executive Officer) comments about over-regulation also apply to Jersey's finance industry?

Deputy L.J. Farnham:

It was a general comment; I am not sure it was meant to be specific to any particular sector. But that regulation of Jersey finance is something that is being reviewed, as I mentioned earlier, as part of the work that the Minister with responsibility for financial services is leading on.

3.8.8 Deputy M. Tadier:

Would the Chief Minister give his own view and perhaps state where, on the one hand often regulation, particularly the finance industry, is something that is celebrated - that we are well regulated - and on the other hand, we often hear calls from certain sections of the industry that they are over-regulated. Could the Minister say if he has got any initial inclinations as to which of those may be more likely to be true?

Deputy L.J. Farnham:

I think regulation, when it comes to financial services, one of our most important unique selling points is that we are well and properly regulated and that has been reflected in the recent MONEYVAL report. It is also reflected in the fact that we are one of the highest regarded offshore financial centres in the world. Regulation is important, but we need to make sure that that regulation is balanced and appropriate, that it does not stifle competition and that it continues to promote our financial services industry as one of the best in the world.

3.8.9 Deputy K.M. Wilson:

Could the Chief Minister tell us what he actually means by over-regulation?

Deputy L.J. Farnham:

If we take "regulation" in its broadest term of being rules imposed on society, businesses by the Government, I deem that some of those rules perhaps go too far and are stifling business activity or freedoms of the public in certain areas. That is a very broad description of what we mean. I caveat that of course by saying some regulation is absolutely necessary, especially in relation to public safety. A good example of that, where we are looking at making changes, is in the road safety strategy recently announced by the Minister.

3.8.10 Deputy K.M. Wilson:

Does the Chief Minister believe that it would be helpful to have some frameworks for the public to understand what is good regulation, what is beneficial regulation, so that we know what the standards are and that it improves transparency?

Deputy L.J. Farnham:

Yes, I think any good regulation needs to be balanced and it needs to be clear, plain, fairly simple as it possibly can, so it can be communicated to the public, so it can create greater understanding. I think if you asked an ordinary member of the public to explain what they knew about our financial services regulation, our planning regulation, our rather complicated

alcohol and licensing laws, they would not know very much about it, so I agree with that. If we can introduce an element of simplification, so it is easier for the public to understand, we would support that.

3.8.11 Deputy J. Renouf:

This is an interesting exchange; what it raises in mind is surely the issue is rather than focusing on over-regulation - which risks creating a simplistic impression that regulation is bad and a burden - the focus should be on good regulation, on being well-regulated in recognition of the vital importance of some regulations.

Deputy L.J. Farnham:

I think that is at the heart of what we are trying to do. I have used some examples of where we feel over-regulated, but the Deputy is absolutely right. We aim to have good regulation, well-balanced regulation, and that will be our key objective.