

Economic Affairs Scrutiny Panel

Meeting No.48

25th July 2007

Blampied Room

Present Deputy G. P. Southern, Chairman
 Connétable M. K. Jackson
 Deputy A. Breckon
 Deputy J. A. Martin

Apologies Deputy K. C. Lewis

Absent

In attendance Nathan Fox, Scrutiny Officer
 Elizabeth Kingston-Walsh, Scrutiny Officer

Ref Back	Agenda matter	Action
1.	<p>Minutes of previous meetings</p> <p>The Minutes of the meetings held on 27th June 2007 and 11th July 2007 were approved.</p>	
2.	<p>Action Updates</p> <p>a) The Panel recalled that during the Public Hearing held on 13th June 2007, the Economic Development Minister had agreed to provide the Panel with a number of documents and briefings which were currently outstanding. Officers informed the Panel that the Economic Development Department was unable to provide the briefings before September 2007. The Panel noted that the documents and the Enterprise and Business Development briefing requested were urgently required for the Business Plan review and that further delay would be detrimental to the scrutiny of the 2008 Business Plan.</p> <p>Officers were directed to take the appropriate action.</p> <p>b) The Panel noted that there were still outstanding issues regarding the Dairy industry to be resolved and that the largest producer in the Island was intending to leave the industry, although his cows would in all likelihood be sold to another producer.</p> <p>The current understanding was that the new dairy was to be constructed to process liquid milk only, with limited facilities available to produce the export products that the Promar report had identified as essential to the industry's future.</p> <p>The industry and the Executive had agreed to keep the Panel informed on this matter.</p>	<p>NJF</p>

	<p>c) The Panel noted receipt of the following documents:</p> <ul style="list-style-type: none"> i. Draft Harbours (Administration) (Amendment No. 7) (Jersey) Law 200- ii. Draft Pilotage (Jersey) Law 200- iii. Draft Inshore Safety (Jersey) Regulations 200- iv. Draft Ship and Port Facility- Security (Amendment) 200- <p>Connétable Jackson agreed to consider the draft legislation and report back to the Panel at its next meeting.</p>	MKJ
3.	<p>Executive Actions on Recommendations of Previous Reviews</p> <p>The Panel considered a report presented to the Council of Ministers on 28th June 2007 entitled 'Proposals for Ministers to formally respond to Scrutiny reports'.</p> <p>It noted that several responses from Ministers to Scrutiny reports had been unsatisfactory, but that the response of the Planning and Environment Minister to the Environment Panel's 'Design of Homes' report had been very positive and should serve as a model for the future.</p> <p>The Panel recalled that a working group was to be formed by the Chairmen's Committee to discuss the Code of Practice for Scrutiny Panels and the Public Accounts Committee. The Panel was minded to put either Deputy Southern or Breckon forward for inclusion in that group. Deputy Southern agreed to review the Chairmen's Committee minutes for references to the working group.</p> <p>On a related matter, the Panel noted that all Scrutiny meetings with Ministers should be recorded.</p>	GPS
4.	<p>Finance Industry</p> <p>The Panel noted correspondence from the Jersey Financial Services Commission and Jersey Finance Limited received in response to the Panels call for topics to review.</p> <p>It further noted that no topics had been suggested.</p>	
5.	<p>Draft Price and Charge Indicators (Jersey) Law</p> <p>The Panel considered the evidence presented by the Economic Development Minister at the public hearing on the 24th July 2007.</p> <p>The Minister had informed that Panel at this hearing that there might be legal difficulties in introducing mandatory exclusive pricing in relation to GST. The difficulties centred on an EU directive 98/6/EC of 16 February 1998 'on consumer protection in the indication of the prices of products offered to consumers'. The Panel decided that the Chairman should seek advice from the Attorney General on the matter.</p> <p>Officers were directed to take the appropriate action.</p>	NJF

	<p>The Panel noted that one of the main arguments against inclusive GST pricing had been that the need to re-label pre-priced goods from the UK would adversely affect retailers. It therefore directed officers to seek the opinions of several business that re-labelled goods originally priced in the UK with VAT included, in order to determine the actual difficulty of re-labelling.</p> <p>The Chairman was delegated to finalise any correspondence in this regard.</p> <p>The Panel considered that the report on the draft Price and Charge Indicators (Jersey) Law 200- should contain the following element-</p> <ul style="list-style-type: none"> • An examination of the differences between Goods and Services Tax and Retail Sales Tax • Clarification of the situation of non-registered companies regarding importation and sales to registered companies 	NJF
<p>6.</p>	<p>Business Plan</p> <p>The Panel noted that the 2008 Business Plan was to be debated on 18th September 2007, and accordingly that amendments would have to be lodged 'au Greffe' by 4th September 2007. The Panel was informed that the States Greffe had requested that amendments be received by 31st August if at all possible.</p> <p>The Panel agreed to write to the Economic Development Minister with questions arising from the Business Plan.</p> <p>The Panel noted a discrepancy of £4.341 million in the Harbours section of the 2008 Business Plan. Capital Expenditure was estimated at £8.119 million and the total of Capital expenditure under the Capital programme was stated as £3.778 million.</p> <p>Connétable Jackson agreed to investigate possible reasons for the discrepancy and report back to the Panel.</p> <p>The Panel considered the possible need for a review into the Harbours management structure.</p>	MKJ
<p>7.</p>	<p>Telecoms</p> <p>The Panel noted that Treasury and Resources Department intended to publish the report and conclusions of the Oxera/Jersey Telecom Steering Group on 27th July 2007. It further noted that the Sub-Panel was working on a joint statement and press release.</p> <p>The Panel noted the record of a meeting between the Telecom Privatisation Sub-Panel and the Jersey Telecom Privatisation Steering Group.</p>	
<p>8.</p>	<p>Future Meetings</p> <p>The Panel noted the date for the next meeting was 8th August 2007.</p>	

Signed

Date

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Chairman Deputy G. P. Southern
Economic Affairs Panel

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