

Economic Affairs Scrutiny Panel

Meeting No 58

5th March 2008

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

Apologies Deputy K. C. Lewis

Absent

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

| Ref Back | Agenda matter | Action |
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| 1. | <p>Minutes</p> <p>The Minutes of the meeting held on 13th February 2008 were approved.</p> | NJF |
| 2. Item 14 03.10.07 | <p>Jersey Harbours – Southampton Boat Show (Matters Arising)</p> <p>The Panel recalled that at its meeting of 3rd October 2007 it had discussed the expenditure of £38,000.00 by the Economic Development Department on hospitality at the Southampton Boat Show with a view of attracting ‘high net worth’ individuals to Jersey.</p> <p>It further recalled that it had agreed that it would request performance indicators relating to this event approximately six months after the fact, in order that the benefits could be assessed.</p> <p>Accordingly, the Panel directed officers to establish the performance criteria arranged prior to the expenditure as above, and the benefit that the Department could attribute to having made that expenditure.</p> | EKW |
| 3. Item 4 13.02.08 | <p>Employment and Training Opportunities in Jersey</p> <p>The Panel noted documents received detailing the operation of the Economic and Social Research Council’s Centre on Skills, Knowledge and Organisational Performance (SKOPE), which was jointly staffed by Oxford and Warwick Universities.</p> <p>The Panel noted that this organisation might provide an appropriate advisor for its review into ‘Employment and Training Opportunities in Jersey’.</p> <p>Officers were directed to gather all available information</p> | |

NJF

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| | concerning this organisation, and to liaise with the Chairman in respect of making contact. The Panel delegated authority to the Chairman to engage an advisor in this regard. | GS/NJF |
| 4. Item 3 13.02.08 | <p>Draft Price and Charge Indicators (Jersey) Law 200-</p> <p>The Panel noted draft comments on the draft Price and Charge Indicators (Jersey) Regulations 200- (P.14/2008 Re-Issue), lodged 'au Greffe' by the Economic Development Minister, and an Amendment thereon (P.14/2008 Amd 1) lodged 'au Greffe' by Senator L. Norman, due to be debated at the next States session on 11th March 2008.</p> <p>The Panel considered and amended the draft comments. The Panel approved comments detailing the following points-</p> <p><u>First Amendment to the draft Price and Charge Indicators (Jersey) Law 200- (P.14/2008 Amd 1)</u></p> <p>This amendment would fix the cost of GST per item at a whole number rather than allow 3% to be calculated on total expenditure. Therefore the purchase of numerous low-value items would incur a charge that would have little relation to the GST rate. The Panel would not support this amendment.</p> <p><u>Draft Price and Charge Indicators (Jersey) Regulations 200- (P.14/2008 Re-Issue)</u></p> <p>These Regulations would introduce exclusive pricing for pre-priced imported goods, which would be detrimental to clarity and confusing for consumers. The Panel would not support these Regulations.</p> <p>Officers were directed to make the necessary amendments to the comments and to present them to the States as soon as possible.</p> <p>The Panel agreed that it would be appropriate to lodge 'au Greffe' an amending Regulation to the Goods and Services Tax (Jersey) Regulations 2007 to introduce a requirement that all businesses registered for GST be required to indicate on any receipt the amount of GST that had been incurred as a result of a transaction. This was currently being developed by the Chairman in conjunction with the Law Draftsman's Department.</p> <p>The Panel recognised that this Regulation would have to be lodged 'au Greffe' in the near future, and in order to avoid unnecessary delay agreed to delegate to the Chairman authority to lodge this amending Regulation, subject to transmission at that time to the Panel for information.</p> <p>Officers were directed to take the appropriate action in this regard.</p> | <p>NJF</p> <p>GS</p> <p>NJF</p> |
| 5. | <p>Economic Development Work Programme 2008 – briefing</p> <p>The Panel recalled that the Chairman and Deputy Martin had</p> | |

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| | <p>attended a briefing held at 9.00am on 4th March 2008 at the Radisson Hotel in respect of the Economic Development Department's plans for 2008.</p> <p>The Panel was informed by the Chairman that the briefing had not been particularly informative, and that it would have been preferable had information been provided solely in a written format. He considered that the event was in essence an opportunity for self-aggrandisement by the Economic Development Minister. He also commented that the event had been managed in such a way that there had been little or no opportunity to question the Minister about the Department's future plans.</p> <p>The Chairman was of the opinion, having noted that training and apprenticeships were addressed at the briefing, that the tendency for the Economic Development Department to begin work on subjects that the Panel had recently chosen to review was more than coincidence, and indicated a desire on the part of the Economic Development Minister to influence the outcome of the Panel's reviews.</p> <p>The Panel noted in general terms that it considered the Enterprise and Business Development section to be using funds in an inefficient manner, as it was paying for systems rather than directly funding businesses. In reference to the Small Business Loans Guarantee Fund, the Panel was of the opinion that it was not the place of the States to be guaranteeing loans.</p> | |
| <p>6.</p> <p>Item 16 05.09.08</p> | <p>Scrutiny Newsletter</p> <p>The Panel considered its submission for the third Scrutiny Newsletter to be published on 19th May 2008.</p> <p>It directed officers to draft a submission including-</p> <ul style="list-style-type: none"> (a) The success of the Jersey Telecom Privatisation review, with specific reference to the fact that in a pre-Scrutiny system the sale proposition would in all likelihood have been approved with a minimum of consideration, based on the positive assertions by the Treasury and Resources Minister and the Treasurer of the States. (b) A 'member profile' of Connétable Jackson. (c) Other work carried out by the Panel with reference to the Economic Development Department Business Plan, which the Panel considered needed to be explained to the public in greater detail. <p>Officers were directed to prepare a draft submission for consideration by the Panel at its next meeting.</p> | <p>NJF</p> |
| <p>7.</p> <p>Item 5 13.02.08</p> | <p>The Role and Funding of Jersey Finance Limited</p> <p>The Panel noted the forthcoming public hearings with Mr. G. Cook, Chief Executive, JFL and Mr C. Clarke, Accountant, to be held on</p> | |

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| | <p>5th March 2008 at 11:30 am and 1:30 pm respectively (subsequent to this meeting).</p> <p>The Panel considered the areas of questioning for the aforementioned public hearings.</p> | |
| <p>8.</p> <p>Item 6 13.02.08</p> | <p>2008 Panel Work Programme</p> <p>The Panel considered a draft work plan for 2008. After discussing its priorities for 2008, the Panel decided that the final work plan should contain the following items-</p> <p><u>Reviews to complete in 2008-</u></p> <ul style="list-style-type: none"> (i) The Role and Funding of JFL (to be completed March 08) (ii) States Business Plan / EDD Business Plan 2008 (iii) Employment and Training Opportunities (to be completed June/July 08) <p><u>Potential review topics for 2008-</u></p> <ul style="list-style-type: none"> (i) Intellectual Property legislation (ii) Companies (Jersey) Law 1991 Amendments (iii) Security Interests (Jersey) Law 200- (iv) Limited Partnerships (Amendment) (Jersey) Law 200- (v) Incorporated Partnerships (Jersey) Law 200- (vi) Trusts (Amendment No 5) (Jersey) Law 200- (vii) Review of Limited Liability Partnerships (Jersey) Law 1997 (viii) Planned EDD 'Root and Branch' review of pensions (ix) Jersey Harbours – management and operation <p>Officers were directed to take the appropriate action.</p> <p>Connétable Jackson commented that he would not be able to take part in respect of item (ix) - Jersey Harbours, as he was conflicted by operating a marine leisure business.</p> <p>He agreed, however, to produce a dossier of evidence for the Panel should it engage in a review of the subject, and agreed to be called as a witness in this regard. He agreed that it would be acceptable also if he were to produce a pre-review submission for the Panel.</p> <p>The Panel declined to produce a time plan of its 2008 reviews, in order to maintain flexibility.</p> | <p>MJ</p> |

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| 9. | <p>Future meetings</p> <p>The Panel noted that the next meeting was to be held on 26th March 2008 at 9.30am in the Blampied Room, States Building.</p> | |
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Signed

Date

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Chairman Deputy G. P. Southern
Economic Affairs Panel