

# Economic Affairs Scrutiny Panel

## Meeting No 55

23rd January 2008

Present Deputy G. P. Southern, Chairman  
Deputy A. Breckon  
Deputy J. A. Martin  
Deputy K. C. Lewis

Apologies Connétable M. K. Jackson

Absent

In attendance Nathan Fox, Scrutiny Officer

Ref Back	Agenda matter	Action
1.	<p><b>Minutes</b></p> <p>The Minutes of the meetings held on 12th December 2007 were approved.</p>	NJF
2. Item 2 12.12.07	<p><b>Draft Price and Charge Indicators (Jersey) Law 200- (Matters Arising)</b></p> <p>The Panel recalled that, during a speech to the assembly on 7th November 2007, the Economic Development Minister had indicated that he would favour the display of Goods and Services Tax on receipts.</p> <p>The Panel noted that, further to communication with the Economic Development Department, it had become apparent that the Minister no longer supported this position. The Panel understood that the Minister had been informed that such requirements would be disadvantageous to small businesses.</p> <p>As the Executive was not intending to bring forward this requirement, the Panel decided that it would be appropriate for it to do so. The Panel was of the opinion that, as indicated in its report 'S.R.16/2007 – 'draft Price and Charge Indicators (Jersey) Law 200-' it would be preferable for consumer to be aware not only the total price that they were paying for goods in advance, but also, following a transaction, how much tax had been incurred.</p> <p>The Panel decided that it would be appropriate to seek the assistance of the Law Draftsman's Department in respect of developing a proposition to that effect.</p> <p>Officers were directed to take the appropriate action.</p>	NJF
3. Item 10 28.11.07	<p><b>Jersey Telecom Privatisation</b></p> <p>The Panel received an invoice in the sum of £240.00 from Dr. D. Parker, in respect of his work on the Telecoms Privatisation review</p>	

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	<p>on behalf of the Economic Affairs sub-Panel (Telecoms Privatisation).</p> <p>Officers were directed to take the appropriate action.</p>	<b>NJF</b>
<p><b>4.</b></p> <p><b>Item 8 17.10.07</b></p>	<p><b>Intellectual Property</b></p> <p>The Panel received documents from Mrs. C. Van Dijk and the Intellectual Property Advisory Committee (IPAC) in respect of the recent consultation exercise carried out by the Economic Development Department regarding the forthcoming draft Copyright (Jersey) Law 200-, the draft Design Right (Jersey) Law 200-, and the draft Performers Protection (Jersey) Law 200-.</p> <p>The Panel noted that the three pieces of legislation totalled 283 pages, and that a considerable number of the provisions were not intelligible to persons who were neither intellectual property experts or legally qualified.</p> <p>The Panel was concerned that the States would not be able to give this legislation the appropriate consideration when it came to the assembly, and would instead have to rely on the assurances of the Executive.</p> <p>Accordingly, in keeping with its responsibilities under Standing Orders, the Panel decided to scrutinise the aforementioned legislation. The Panel envisaged engaging two experts, and legal professional from Jersey, and an expert in intellectual property, preferably from the United Kingdom. The Panel considered that this would avoid any accusations that the Panel was representing special interests.</p> <p>The Panel intended to conduct this legislative scrutiny with a 'light touch' and simply to develop a framework for the experts to operate within, and to allow them to determine the course of the examination. The Panel would control the timescale and budget, and collate the expert opinion at the end of the process.</p> <p>As a first step in this process the Panel decided that it would meet with Mrs. C. van Dijk for a second time to discuss the implications of the legislation with her.</p> <p>Officers were directed to take the appropriate action.</p>	<b>NJF</b>
<p><b>5.</b></p> <p><b>Item 12 17.10.07</b></p>	<p><b>The Role and Funding of Jersey Finance Limited</b></p> <p>The Panel noted that it was difficult to determine the cost-effectiveness of Jersey Finance Limited (JFL), although many of the witnesses that the Panel had interviewed had indicated that in their opinion it was operating effectively.</p> <p>The Panel considered however that there should be parity between the public and private sector contributions. This, the Panel understood, would promote good governance by increasing the management input from private firms.</p> <p>Questions were again raised as to the seemingly contradictory</p>	<b>NJF</b>

	<p>situation in which public money was being used by JFL to lobby the States for the benefit of the finance industry.</p> <p>The Panel noted that Jersey Finance Limited was holding a meeting for States members on 31st January 2008. It decided that any further action should be delayed until the after members attended this meeting.</p>	
<p><b>6.</b></p> <p><b>Item 9</b> <b>28.11.07</b></p>	<p><b>Economic Development Department Business Plan 2008 and 2009</b></p> <p>The Panel discussed the ongoing review of the Economic Development Department Business Plans. It received the finalised cash limits for the Economic Development Department Business Plan 2008. It noted that there were considerable variations between the 2008 estimates for spending across different areas as outlined in the States Business Plan and the actual planned 2008 expenditure. The rationale given for these variations was vague in many cases. In one instance a variation of £519,612.00 was listed as being due to 're-allocation of Economic Growth Plan funding'. The Panel did not consider that this represented a sufficient level of detail to explain the reallocation of such a considerable sum.</p> <p>Additionally, the Panel noted a list of key dates for the development of the 2009 Business Plans. The Panel noted that there was to be a briefing on the subject in the States Building on 1st February 2008. The Panel accordingly decided to defer further Business Plan consideration until this briefing had been held.</p> <p>The Panel members agreed to study the Economic Development Department Business Plan 2008 and to attend the briefing on 1st February 2008.</p> <p>The Chairman directed that his preference for a two-year Business Planning cycle be recorded.</p>	
<p><b>7.</b></p> <p><b>Item 11</b> <b>28.11.07</b></p>	<p><b>Employment and Training Opportunities in Jersey</b></p> <p>The Panel received amended terms of reference and an amended scoping document for this review.</p> <p>The Panel expressed concern that as the terms of reference were extremely wide, and that some information which would be required to complete the review, such as the training practices of employers, would not be easily accessible.</p> <p>The Chairman responded that the terms of reference could be narrowed by the production of either one or two interim reports at intervals during the review. He also added that while immigration was not mentioned directly in the terms of reference it would form a key part of the review.</p> <p>The Panel agreed and decided that it would be appropriate to employ an adviser for the review, ideally a UK academic with past involvement in analysing employment policy. The advisor could be utilised to assist on the development of the terms of reference for the interim reports.</p>	

	<p>The Panel did not accept the officer recommendation that the initial stage of the review should concentrate on developing a reliable count of the number of unemployed people in the island. This was not ruled out for some later stage however.</p> <p>The Panel agreed that the review was to be conducted by one officer with assistance from another where required, that the budget was to be no more than £28,000, and that the review was to take no more than 6 months, to conclude in mid-July 2008.</p> <p>Officers were directed to take the appropriate action.</p>	<b>NJF</b>
<p><b>8.</b></p> <p><b>Item 3</b> <b>12.12.07</b></p>	<p><b>Rural Economy</b></p> <p>The Panel recalled that the 'rollup' of the Single Area Payment to glasshouse growers had cost the taxpayer approximately £1.3 million. The Panel noted that anecdotal evidence suggested that there had been a number of planning applications for development of glasshouse sites in the Island, and it queried whether the 'rollup' was an appropriate use of funds, given that growers who left the industry were likely to be receiving considerable sums for development land.</p> <p>The Panel received an officer report which collated the area of glasshouse coverage in Jersey by Parish and detailed addresses for glasshouse growers.</p> <p>Deputy Breckon noted that he had retained a report published some time ago which detailed the mechanism behind and rationale for the glasshouse 'rollup'. He indicated that he would supply this to the Panel at its next meeting.</p>	<b>AB</b>
<b>9.</b>	<p><b>Future meetings</b></p> <p>The Panel received a draft schedule of its meetings for the first half of 2008.</p> <p>The Panel noted that approximately half of its meeting were to be held in the States Greffe, rather than the States Building as had been the previous practice. The Panel indicated that it was not satisfied with this arrangement, and was informed that the cause of the situation had been the deferral of the draft meeting list from the previous meeting held on 12th December 2007. This had made it impossible for officers to book the appropriate room, and in the absence of pre-existing bookings the room had been utilised by the Corporate Services Scrutiny Panel.</p> <p>The Chairman informed the Panel that he intended to communicate with the Chairman of the Corporate Services Scrutiny Panel in the strongest possible terms expressing his displeasure about the situation.</p> <p>The Panel noted that its next meeting was to be held on 7th February 2008 in the Blampied Room, States Building.</p>	<b>NJF</b>

**Signed**

**Date**

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**Chairman Deputy G. P. Southern**  
**Economic Affairs Panel**

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