

3.13 The Deputy of St. Mary of the Minister for Economic Development regarding the use of Jersey in any way for tax avoidance purposes by News International or News Corporation.

Something a little bit wider. Given that nearly all major advertisers deserted the *News of the World* because of the reputational damage of being associated with the brand, what steps has the Minister taken or will he take to ensure that News International or News Corporation are not using Jersey in any way for tax avoidance purposes?

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

Jersey is one of the best regulated jurisdictions in the world but as Members would expect, we cannot prevent individuals or companies from using local professional services or products if they are doing so lawfully.

3.13.1 The Deputy of St. Mary:

What a masterful non-answering of the question that was. What made me ask this question is when I found out that News Corp has the third largest (because it is an American company) number of subsidiaries in tax havens among the top 100 companies in the United States and the question was, what steps has the Minister taken or will he take? Now it sounds as if the answer is none. Would he like to confirm this magnificent one word answer?

Senator A.J.H. Maclean:

I can confirm quite simply that it would be a matter, for example, for the J.F.S.C. (Jersey Financial Services Commission) if they felt that anything unlawful was being undertaken. I do not believe it is a matter for the Minister at this particular point based on the content of the question.

3.13.2 The Deputy of St. Mary:

Is the Minister entirely at ease with this answer and the implications of it?

Senator A.J.H. Maclean:

I am at ease with the answer; I am not necessarily at ease with the thrust of the question. I understand the reason that the Deputy has asked the question. I share his concerns as indeed I am sure most members of the public would do in regard of the behaviour of that particular company.

3.13.3 Senator S.C. Ferguson:

Considering that the Trinity Mirror Group has a much worse record for hacking than the *News of the World*, will the Minister apply the same standards to that group as well?

Senator A.J.H. Maclean:

I am not applying any standards to any groups, I am merely pointing out that the appropriate regulatory authorities are there to carry out the job of ensuring that the Island is properly regulated and the reputation is maintained.

3.13.4 The Deputy of St. Mary:

I think the Minister is being a little bit optimistic or carefree on this. One commentator said this is the worst reputational damage he has ever seen to any corporation and the Minister does not seem to be recognising the danger that Jersey is in with this because association with this particular brand now is pretty dangerous and

as we see it is going up and up to higher and higher reaches of the company and even to politicians. We have just seen the resignation of the Head of the Met.

The Deputy Bailiff:

Are you heading for a question?

The Deputy of St. Mary:

Yes, can the Minister therefore assure Members ... it just seems to me that is saying there is nothing he can do and holding up his hands. I want him to confirm there is nothing he can do, he is holding up his hands and he is going to wait for the damage to come.

The Deputy Bailiff:

It was looking quite promising for a moment, but I suppose that is a question.

Senator A.J.H. Maclean:

I am simply saying that we are an extremely well-regulated jurisdiction, we have appropriate regulators in place in order to protect the reputation of the Island and I believe we should leave such matters in their hands.