

DRAFT PUBLIC FINANCES (ADMINISTRATION) (AMENDMENT No. 10) (JERSEY) LAW 200

**Lodged au Greffe on 20th November 2001
by the Finance and Economics Committee**



STATES OF JERSEY

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European Convention on Human Rights

The President of the Finance and Economics Committee has made the following statement -

In the view of the Finance and Economics Committee the provisions of the Draft Public Finances (Administration) (Amendment No. 10) (Jersey) Law 200 are compatible with the Convention Rights.

(Signed) **Senator F.H. Walker**

REPORT

At present the Finance and Economics Committee has specific power under the Public Finances (Administration) (Jersey) Law 1967, as amended, to appoint investment managers for the Strategic Reserve, but no power to appoint managers for other Funds, for example in respect of currency. These Funds are now of a size that warrant the use of a dedicated Fund Manager (£55 million). Other Funds, such as those relating to pension funds and the Social Security Reserve Fund, have appointed managers authorised by separate laws relating to those funds.

The amendment gives the Finance and Economics Committee the power to appoint investment managers for the investment of any public monies.

Financial/manpower implications

This draft Law has no implications for the financial or manpower resources of the States.

European Convention on Human Rights

Article 16 of the Human Rights (Jersey) Law 2000 will, when brought into force by Act of the States, require the Committee in charge of a Projet de Loi to make a statement about the compatibility of the provisions of the Projet with the Convention rights (as defined by Article 1 of the Law). Although the Human Rights (Jersey) Law 2000 is not yet in force, on 7th November 2001 the Finance and Economics Committee made the following statement before Second Reading of this projet in the States Assembly -

In the view of the Finance and Economics Committee the provisions of the Draft Public Finances (Administration) (Amendment No. 10)(Jersey) Law 200- are compatible with the Convention Rights.

Explanatory Note

This draft Law, if passed, will amend the Public Finances (Administration) (Jersey) Law 1967 to enable investment managers to invest public money generally, and not just public money in the strategic reserve as at present.

Article 1 defines the meaning of “principal Law” when used in the Law.

Article 2 amends the interpretation Article of the principal Law to provide a revised definition of “investment manager”.

Article 3 amends Article 7 of the principal Law to allow public monies to be invested by investment managers with the approval of the Finance and Economics Committee.

Article 4 makes some necessary consequential amendments to the principal Law.

Article 5 provides for the short title and commencement of the Law.

PUBLIC FINANCES (ADMINISTRATION) (AMENDMENT No. 10) (JERSEY) LAW 200-

A LAW to amend further the Public Administration (Jersey) Law 1967; sanctioned by Order of Her Majesty in Council of the

(Registered on the _____ day of _____ 200-)

STATES OF JERSEY

The _____ day of _____ 200-

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law -

ARTICLE 1

In this Law “principal Law” means the Public Finances (Administration) (Jersey) Law 1967,^[1] as amended.^[2]

ARTICLE 2

In Article 1 of the principal Law^[3] for the definition “investment manager” there shall be substituted the following definition -

“‘investment manager’ means a person appointed pursuant to paragraph (4) of Article 7 of this Law to place or invest public monies in a manner approved by the Finance and Economics Committee;”.

ARTICLE 3

In Article 7 of the principal Law^[4] -

- (a) at the end of paragraph (1)(c) there shall be added “or by investment managers”;
- (b) at the end of the Article there shall be added the following paragraphs -

“(4) The Finance and Economics Committee may, subject to any Regulations made under Article 26A of this Law, appoint investment managers.

(5) An investment manager may invest public monies to the extent and in a manner approved by the Finance and Economics Committee.”.

ARTICLE 4

In Article 26(2) of the principal Law^[5] -

- (a) in sub-paragraph (a) for the words “the value of the portion of the strategic reserve” there shall be substituted the words “the amount of public monies”; and
- (b) in sub-paragraph (b)(ii) for the words “the funds of the strategic reserve” there shall be substituted the words “investments of public monies”.

ARTICLE 5

This Law may be cited as Public Finances (Administration) (Amendment No. 10) (Jersey) Law 200 and shall come into force on the seventh day following its registration.

[1] Volume 1966-1967, page 589.

[2] Volume 1992-1993, page 445.

[3] Volume 1966-1967, page 589 and Volume 1992-1993, page 445.

[4] Volume 1966-1967, page 592.

[5] Volume 1966-1967, page 609.