

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY 9th OCTOBER 2007

Question

In the light of the summary statement below and the draft 2008 -2010 figures presented at the Annual Business Plan briefing for members of 23rd March 2007, does the Chief Minister now accept that the concerns I raised during the Business Plan debate over significant transfers of funding from the Rural and Tourism sectors to Enterprise and Business Development, Finance and Policy areas in the Economic Development budget and the misleading nature of such figures given the eventual budget outcome were fully justified?

SUMMARY OF ISSUES RAISED BY DEPARTMENTS

The attached summary has been prepared following the Council's meeting of 8th March 2007. This summary represents the key issues raised by departments in their returns and also those issues highlighted by Ministers at their meeting of 8th March.

Economic Development

The service changes identified reflect:

- The remaining resource allocation savings and gradual winding down of agricultural subsidies are planned
- Reductions in Tourism marketing and PR spend
- Significant business re-engineering refocusing which will enable funding and subsidies to new areas to promote economic growth including new monies
 - High value industries
 - Develop air and sea routes
 - Further market and develop finance industry
- Other pressures in Regulation office, grant funding of JCRA.

Answer

In March 2007 Officers were asked to identify the pressures facing their departments and how the departments would likely address those pressures if funding was not granted. Given that the 2008 Business Plan does not provide growth funding for EDD, it is entirely appropriate that the Department should reallocate its funding to its highest priorities.

I understand that the Department is currently conducting a zero base review of all its 2008 objectives but does not have any intentions to decrease direct support to the Rural or Tourism sectors. In line with the majority of Jersey's economy both the Rural and Tourism sectors showed improved economic performance in 2006 with real terms growth of 2% and 3% respectively and there is a strong desire to continue to build on this turnaround in performance.

ment 2008

Description of Service	Net Expenditure	Service Changes		Descr Service
	2007 £'000	2008 £'000	2008 FTE	
ement strategies that will > for the rural economy, ture and fisheries industries.	4,542	(500)	(2)	Business Re-engineerir 35% reduction in grant t and marketing to dairy a
		(230)		FSR Cut Industry support 5% reduction in grant ai marketing to dairy and :
		(40)		Efficiency savings _to be prorated inline wit areas
eting urism strategy for revitalising tourism in Jersey. To market e in ways which will yield the optimum economic, social enefit. To raise the profile of the Channel Islands region.	5,928	(500)	(3)	Business Re-engineerir 25% reduction in Touris marketing and PR
		(40)		Efficiency savings to be prorated inline wit
		(190)		FSR Cut - Tourism Mar 3% reduction in Touris marketing and PR
iness Development ment that is more conducive to both business start up and introduce a customer facing service offering information, registration as well as working along side existing ks.	2,424	500	5	Business Re-engineerir Key Objective is to grow More resources are requ and diversify high valu the Economic Growth P
ent and deliver policies such as Intellectual Property policies, ae transport policies, along with strategies and plans in mic growth strategy.	487	500		Business Re-engineerir Key objective is to deve air and sea routes. Route subsidies are ant
gulations under the Gambling (Jersey) Law (1964), the resident Traders (Jersey) Law (1965) and also monitor the Competitions (Jersey) Law (2001) and Postal Services	347			

Undertakings Regulation of Undertakings and Development (Jersey) Law Develop policies and strategies in relation to the Regulation of Development (Jersey) Law (1973).	331	50		Business Re-engineering Increase in workload from numbers of applications delays in approval time
		(10)		Efficiency savings to be prorated inline with areas
Trading Standards Legislation controlling the distribution of goods and services. Advice and information service.	318			
Encouraging To encourage high-wealth individuals, who will contribute especially, to take up residency in the Island.	145			
Regulatory Authority The JCRA for the administration of the Competition Law and sues.	556	(50)		Reductions in grant support
Council Grant To identify and publicise anomalies and irregularities in consumer practices and encourage good trading practice by local business.	90			
Support Promotion, diversification and further development of the economy in the Island.	1,000	150		Business Re-engineering Key objective is to grow economy. Resources re-allocated to market and develop the Islands primary and high value sectors
		(30)		Efficiency savings to be inline with savings area
La Collette Eliminate revenue from the Fuel Farm site at La Collette.	(164)	(10)		FSR Cut Increase efficiency of activities

				of this service
Expenditure	16,004	(400)	0	

Economic Development 2009

Description of Service	Net Expenditure	Service Changes		Description of Service changes
	2008 £'000	2009 £'000	2009 FTE	
Rural Economy To develop and implement strategies that will ensure a viable future for the rural economy, including the agriculture and fisheries industries.	3,772	(600)	(2)	Business Re-engineering 35% reduction in grant aid and marketing to dairy and ag
		(5)		Efficiency savings to be prorated inline with sav
Tourism and Marketing To implement the Tourism strategy for revitalising tourism in Jersey. To market Jersey and its produce in ways which will yield the optimum economic, social and environmental benefit. To raise the profile of the Channel Islands region.	5,198	(650)	(3)	Business Re-engineering 25% reduction in Tourism ma and PR
		(5)		Efficiency savings to be prorated inline with sav
Enterprise and Business Development To create an environment that is more conducive to both business start up and business growth. To introduce a customer facing service offering information, advice, guidance and registration as well as working along side existing regulatory frameworks.	2,924	500	5	Business Re-engineering Key Objective is to grow the economy. More resources are develop and diversify high val per the Economic Growth Pla
Policy and Strategy To develop, implement and deliver policies such as Intellectual Property policies, Aviation and Maritime transport policies, along with strategies and plans in support of the economic growth strategy.	987	500		Business Re-engineering Key objective is to develop ai Route subsidies are anticipate
Regulatory Services To administer the Regulations under the Gambling (Jersey) Law (1964), the Hawkers and Non-Resident Traders (Jersey) Law (1965) and also monitor the effectiveness of the Competitions (Jersey) Law (2001) and Postal Services (Jersey) Law (2004).	347			
Regulation of Undertakings To administer the Regulation of Undertakings and Development (Jersey) Law (1973) and also develop policies and strategies in relation to the Regulation of Undertakings and Development (Jersey) Law (1973).	371			-

Consumer Affairs/Trading Standards Enforce a range of legislation controlling the distribution of goods and services. Provide a consumer advice and information service.	318			
High Value Residency Actively promote and encourage high-wealth individuals, who will contribute economically and socially, to take up residency in the Island.	145			
Jersey Competition Regulatory Authority Provide funding to the JCRA for the administration of the Competition Law and other Competition issues.	506	(50)	0	Reductions in grant support
Jersey Consumer Council Grant Investigate, highlight and publicise anomalies and irregularities in consumer affairs and to encourage good trading practice by local business.	90			
Finance Industry Support Supporting the promotion, diversification and further development of the Financial Services Industry in the Island.	1,120	300	0	Business Re-engineering Key objective is to grow the e Resources required to market the Islands primary and high Industry
Jersey Harbours La Collette To realise the optimum revenue from the Fuel Farm site at La Collette	(174)			-
Total Net Revenue Expenditure	15,604	(10)	0	

Economic Development 2010

Description of Service	Net Expenditure	Service Changes		Description of Service changes
	2009 £'000	2010 £'000	2010 FTE	
Rural Economy To develop and implement strategies that will ensure a viable future for the rural economy, including the agriculture and fisheries industries.	3,167	(350)	(2)	Business Re-engineering 35% reduction in grant aid and marketing to dairy and agricult
		(5)		Efficiency savings to be prorated inline with savir areas
Tourism and Marketing To implement the Tourism strategy for revitalising tourism in Jersey. To market Jersey and its produce in ways which will yield the optimum economic, social and environmental benefit. To raise the profile of the Channel Islands region.	4,543	(400)	(3)	Business Re-engineering 25% reduction in Tourism marl and PR
		(5)		Efficiency savings to be prorated inline with savir
Enterprise and Business Development To create an environment that is more conducive to both business start up and business growth. To introduce a customer facing service offering information, advice, guidance and registration as well as working along side existing regulatory frameworks.	3,424	500	5	Business Re-engineering Key Objective is to grow the ec More resources are required to and diversify high value indust the Economic Growth Plan
Policy and Strategy To develop, implement and deliver policies such as Intellectual Property policies, Aviation and Maritime transport policies, along with strategies and plans in support of the economic growth strategy.	1,487			-
Regulatory Services To administer the Regulations under the Gambling (Jersey) Law (1964), the Hawkers and Non-Resident Traders (Jersey) Law (1965) and also monitor the effectiveness of the Competitions (Jersey) Law (2001) and Postal Services (Jersey) Law (2004).	347			
Regulation of Undertakings To administer the Regulation of Undertakings and Development (Jersey) Law (1973) and also develop policies and strategies in relation to the Regulation of Undertakings and Development (Jersey) Law (1973).	371			-

Consumer Affairs/Trading Standards Enforce a range of legislation controlling the distribution of goods and services. Provide a consumer advice and information service.	318			
High Value Residency Actively promote and encourage high-wealth individuals, who will contribute economically and socially, to take up residency in the Island.	145			
Jersey Competition Regulatory Authority Provide funding to the JCRA for the administration of the Competition Law and other Competition issues.	456	(50)		Reductions in grant support
Jersey Consumer Council Grant Investigate, highlight and publicise anomalies and irregularities in consumer affairs and to encourage good trading practice by local business.	90			
Finance Industry Support Supporting the promotion, diversification and further development of the Financial Services Industry in the Island.	1,420	300		Business Re-engineering Key objective is to grow the ec Resources required to market & develop the Islands primary and high va Industry
Jersey Harbours La Collette To realise the optimum revenue from the Fuel Farm site at La Collette	(174)			-
Total Net Revenue Expenditure	15,594	(10)	0	