



Corporate Services Scrutiny Panel

Quarterly Hearing with the Minister for External Relations

MONDAY, 21st MARCH 2016

Panel:

Deputy J.A.N. Le Fondré of St. Lawrence (Chairman)

Connétable C.H. Taylor of St. John

Deputy K.C. Lewis of St. Saviour

Witnesses:

The Minister for External Relations

Director, External Relations

Deputy Director, External Relations

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[13:04]

Deputy J.A.N. Le Fondré of St. Lawrence (Chairman):

Good afternoon and welcome to the Corporate Services Scrutiny Panel update. Thank you for all coming to the quarterly public hearing with the Minister for External Relations. Minister, I am sure you are aware, but I draw your attention to the notice in front of you, and also notices that I draw members of the public to which are around the room, which is obviously that we expect members of the public and the media in the public seating to remain quiet at all times while the hearing carries on. Obviously, Minister, we may stop you at any times that we feel you have answered the question sufficiently, because obviously we would like to try and be reasonably concise, but we do have a degree of time, equally. For the benefit of the tapes, if I start going round. Deputy John Le Fondré, Chairman.

Deputy K.C. Lewis of St. Saviour:

Deputy Kevin Lewis, Panel Member.

Connétable C.H. Taylor of St. John:

Constable Chris Taylor, Panel Member.

Deputy Director, External Relations:

Mike Entwistle, Deputy Director, External Relations.

The Minister for External Relations:

Philip Bailhache, Minister for External Relations.

Director, External Relations:

David Walwyn, Director, External Relations.

Deputy J.A.N. Le Fondré:

Great, thanks very much. Also, just on behalf of Deputy Lewis, unfortunately members of the media may not be aware, we have had to reschedule the meeting due to some other logistical issues that came up at relatively short notice, other meetings that were arranged earlier today, so we are operating later than we should be. Unfortunately, Deputy Lewis has another appointment which he cannot get out of, so he will be likely to be leaving slightly earlier, so please do not worry if you suddenly see him quietly ...

Deputy K.C. Lewis:

In demand today.

Deputy J.A.N. Le Fondré:

Yes. It is trying to be in too many places at once. Right, just to start things off with, Minister, could you give an overview of the functions of the Department of External Relations?

The Minister for External Relations:

Yes, certainly, Chairman, but I might respectfully correct the nomenclature: it is the Ministry of External Relations; we take pride in the fact that we are the only department of the States which is a ministry. But the Ministry of External Relations has a responsibility for the conduct of the Island's external relations, clearly; it is a responsibility which is shared with the Chief Minister, though of course the Chief Minister has responsibility for all the departments of government in an overriding sense. The Ministry of External Relations carries out its functions in accordance with a general policy, which is approved by the Council of Ministers, and published, and so everything that the ministry does is done pursuant to that general policy.

Deputy J.A.N. Le Fondré:

Okay. I think we will stop there and go into some more detail. Kevin?

Deputy K.C. Lewis:

Minister, what is the Council of Ministers' position on the European Union referendum? Is the Council of Ministers in favour of the U.K. (United Kingdom) leaving the E.U. (European Union) or remaining part of it?

The Minister for External Relations:

The Council of Ministers is not of a view on the outcome of the referendum, taking the view that this is a matter for voters in the United Kingdom. As we all know, Jersey people do not in general have a right to vote in the British referendum because Jersey is not part of the United Kingdom, and the appropriate stance for the Council of Ministers to take is one of neutrality. Having said that, of course, we are obviously taking steps, so far as we can, to make provision for either outcome to the referendum; that is to say, a vote to remain or a vote to leave.

Deputy K.C. Lewis:

How has the U.K. engaged with Jersey, kept us informed, in relation to their negotiations with you?

The Minister for External Relations:

The Foreign Office has been extremely helpful to the Crown dependencies in keeping the islands up-to-date with what was happening, certainly so far as the United Kingdom's negotiations with the European Union were concerned. Our officials have been having meetings with officials at the Foreign and Commonwealth Office, and indeed, the Chief Minister met the responsible Foreign Office Minister not many months ago and I am due to meet the same Minister in April in order to have an update on where the United Kingdom is.

Deputy K.C. Lewis:

Yes; that is my next question: have you met with any U.K. politicians to discuss Jersey's future should the U.K. decide to leave the European Union?

The Minister for External Relations:

Well, as I said, we have had meetings with Mr. Lidington, the Foreign Office Minister; he is the Minister whom I am due to meet with the Deputy Chief Minister of Guernsey during April. I do not think we want to anticipate, in any formal sense, the outcome of the referendum one way or another.

Deputy J.A.N. Le Fondré:

Do you think, as well as the meetings you have had, and obviously the other engagements we have, that the U.K. fully understands our position, particularly as regards what the outcomes might be depending on the outcome of the referendum?

The Minister for External Relations:

Yes, I do. The engagement with the United Kingdom Government is not the totality of what the External Relations Ministry has been doing, because during the last 18 months or so, I have been having meetings, and other Ministers have as well, with a large number of M.P.s (Members of Parliament) and Members of the House of Lords and opinion-formers more generally in order to explain Jersey's position and the concern that we would have to be kept fully informed, particularly if the United Kingdom electorate were to vote to leave the European Union.

Deputy J.A.N. Le Fondré:

Has there been any communication at all with European politicians on this on that front, either France or Brussels, Belgium on the E.U.?

The Minister for External Relations:

Yes. Every single meeting that I have with an ambassador or a high commissioner, an ambassador from the European Union, is one where the question of the United Kingdom

referendum is discussed. I do not think I would be letting any cats out of the bag if I were to say that every single ambassador to whom I have spoken has expressed the view that the vote will be to remain in the European Union.

Deputy K.C. Lewis:

Are there any benefits for Jersey if the United Kingdom leaves the European Union?

The Minister for External Relations:

That is a difficult question to answer, Deputy. The general understanding is that if the United Kingdom were to vote to leave the European Union, that would be followed by a period of uncertainty, both in the United Kingdom and in many other places as well, and Jersey would certainly not be immune from that general feeling of uncertainty; particularly because our financial services industry is closely linked to the city of London, we would obviously be watching very carefully what happened in that regard.

Deputy K.C. Lewis:

You have mentioned finance, but what are the main challenges for Jersey likely to be if the U.K. leaves the E.U.?

The Minister for External Relations:

The consequence of the United Kingdom voting to leave the E.U. is obviously that notice would be given under Article 50 of the treaty which would be followed by up to 2 years of negotiations as to the terms of the exit from the European Union. The effect in constitutional terms, so far as the Channel Islands and Jersey are concerned, are that after that 2-year period and after the United Kingdom left the European Union, Protocol 3 would fall away.

[13:15]

But in a number of other respects the situation would not change because Jersey is currently a third country so far as the European Union is concerned; we are, in general terms, not inside the European Union, as everyone knows, and a number of the aspects which we have negotiated for access to the European Union market would remain in force. To that extent, we would be in a slightly better position than the United Kingdom.

Deputy K.C. Lewis:

What assurances do you have that Jersey can carry on with its existing policies should the U.K. leave the E.U.?

The Minister for External Relations:

I think one needs to be a little bit more specific, Deputy, if I may say so. I think in general terms, as I was saying a few moments ago, we are not inside the European Union and, so far as our general policies are concerned, we would, we anticipate, be able to continue in exactly the same way.

Deputy K.C. Lewis:

Should the U.K. leave the E.U. how do you envisage Jersey being able to negotiate with the remaining E.U. nations?

The Minister for External Relations:

I think that is a very difficult question to answer because there are a number of steps down the road before we arrive at that situation. The general position is that Jersey is not a sovereign state; we have no power to negotiate with foreign countries or with other institutions, except to the extent that we are entrusted by the United Kingdom to do so. So we are entrusted to negotiate tax agreements, and have done with European Union countries and a number of other O.E.C.D. (Organisation for Economic Co-operation and Development) countries as well, but we are not generally empowered to negotiate our international position. So one might talk about seeking an entrustment from the United Kingdom to negotiate a new relationship with the European Union but I am not at all sure that the European Union would be willing to negotiate with Jersey, even if it were entrusted to do so. So it is difficult to anticipate at this moment what the outcome would be. What we have said to the United Kingdom is that we would wish, in those circumstances, to be kept very closely informed of the progress of the United Kingdom's own negotiations with the European Union and to have all our interests taken into account.

Deputy K.C. Lewis:

If we had to renegotiate, who would be responsible for this? Would it be yourself?

The Minister for External Relations:

In the Government of Jersey? Well, the Minister for External Relations would be the lead Minister, but it would be a negotiation that would obviously involve the interests of a number of other departments, particularly Agriculture and Fisheries, and that Minister would obviously be involved as well.

Deputy K.C. Lewis:

What would be the process?

The Minister for External Relations:

What would be the process for ...

Deputy K.C. Lewis:

Renegotiating; would you have to visit all 26 nations?

The Minister for External Relations:

Well, as I say, it is very difficult to anticipate at this stage what the outcome is likely to be. We would expect that our interests would be taken into account by the United Kingdom in its own negotiations and there would come a time, I expect, when we would be asked to consider whether we wanted the United Kingdom's own arrangements with the European Union to be extended to Jersey, or extended in part. That would obviously be a matter for close consideration at that time.

Deputy K.C. Lewis:

This is the last question in this batch, and it is something you have touched on briefly. What contingency plans are being made, or what procedures are being implemented by your department to mitigate any risk should the U.K. leave?

The Minister for External Relations:

I think the only answer that I can give to that is the one that I have already given, in the sense that we have been very closely engaging with our fellow Crown dependencies with the United Kingdom Government, and with others in the United Kingdom Parliament, to ensure that our interests are well understood. The extent to which our interests can be taken into account will obviously be a matter for negotiation in due course, but this all is on the hypothetical basis, of course, that the United Kingdom electorate votes to leave the European Union, and that is by no means a given at this stage.

Deputy K.C. Lewis:

No. Thank you.

Deputy J.A.N. Le Fondré:

Have you got anything on this section, Chris?

The Connétable of St. John:

No, nothing on that.

Deputy J.A.N. Le Fondré:

I will just ask one query, I suppose, which is, picking up on the third country status, which I resume ties in to tax information exchange agreements and A.I.F.M.D. (Alternative Investment Fund Managers Directive) and things like that, going forward, and presumably there are some others out there as well, and so I take the point of us potentially being better placed at present compared to the U.K. if, and I do not like the expression, Brexit happens. Is there a risk, if that scenario did take place, that any negotiations we have got in train on any other agreements that are happening would start being delayed because of the E.U. trying to establish the relationship they have got to have in place with the U.K., because I presume there would be a fair amount of legislation to be rewritten or renegotiated? Or do you think we are sufficiently small that things carry on in parallel?

The Minister for External Relations:

It is really very difficult to say, is it not; I mean, I think, if I may say so, that you have put your finger upon one of the serious problems that would exist in the event of a vote to leave, because there would be so much work that would have to be done by officials in the United Kingdom civil service that I would be very surprised if we would find quite the same level of attention being given to Channel Island affairs as is currently the position.

Deputy J.A.N. Le Fondré:

The trouble is it is all hypothetical until a certain date in June. All right, Chris, carry on.

The Connétable of St. John:

Yes, okay. The next heading is your role as Minister for External Relations. What is the difference in the role you undertake compared to that of Senator Ozouf?

The Minister for External Relations:

Senator Ozouf and I work very closely together because his responsibilities for innovation and financial services involve quite a lot of work externally and so, when I go to the London office, I quite often find Senator Ozouf there. We do work closely together; he has responsibility, as I say, for financial services and/or the digital economy for innovation and for competition, so those are the areas that he deals with, but there is a certain amount of overlap between the functions of the Minister for External Relations.

Deputy J.A.N. Le Fondré:

I suppose I am just curious: I presume in terms of if there is an actual negotiation on agreements and things like that, that the lead role would be with the ministry, I am presuming, with yourself ultimately, to ensure things are concluded appropriately?

The Minister for External Relations:

Yes. One of the examples of joint working which has been quite successful recently has been our engagement with the Republic of Rwanda, and Senator Ozouf and a number of officials have been in Kigali recently trying to build up relationships with the Rwandan Government. We have had very close relationships, very good relationships, with Rwanda for a number of years through initiatives such as the bull semen exportation and the giving of Jersey heifers to various families who suffered during the genocide in 1994. So we start from quite a good position, but we have taken the view that, although the *McKinsey Report* recommended that we should be seeking engagement with South Africa, Nigeria and Kenya, these are all very big countries and, to enable us to make some headway in those countries, it would be very helpful, we think, to have an interlocutor or a good relationship with a small African country, and a country which is very much on the rise in east Africa. So we have found that we have quite a lot in common with Rwanda and I hope that it will be possible in the next few months to sign a memorandum of understanding with the Rwandan Government which will lay the foundation for co-operation in a number of different spheres.

Deputy J.A.N. Le Fondré:

Certainly, I agree, the dairy story from Rwanda is a huge success story from our point of view, I think; it is one to be proud of. Just moving on slightly: could you explain the rationale behind the appointment of the new head of service?

The Minister for External Relations:

Yes. The Chief Minister and other Members of the government have been seeking in recent months to reduce costs, as is well known, and as the head count is an essential part of the cost of running any department or ministry, we have been looking collectively to see whether there are things that could be done more efficiently by departments and ministries working more closely together than perhaps they have done in the past. The Chief Executive procured a redeployment of officials so that officials in the Economic Development Department and the External Relations Ministry and the Financial Services Department all now work together on the 7th floor and we hope that some synergies will come from that. Certainly from my own observations it has been, I think, much easier for officials in one department or another to have a casual conversation with an official from another department because he or she is at a desk not very far away. So far as the chief officer post is concerned, there was discussion when the Chief Officer of the Home Affairs Department, as it was then called, announced his retirement, to see whether there could be some realignment of responsibilities, and the Chief Officer in the External Relations Ministry did move across to become the Chief Officer of the now-titled Community and Constitutional Affairs Department. There was a question as to what would happen in the External Relations Ministry, but it seemed to me very important that the ministry should have a head of service who would

have access to the Corporate Management Board and therefore to knowledge about what was happening in the broader civil service.

[13:30]

At the moment the Director for External Relations does not have membership of the Corporate Management Board and we have found that to be a severely disadvantageous position because decisions are occasionally made without proper consultation and that has not been in the interests of the External Relations Ministry. It is not a new post, but the reinstatement of the post of head of service is one which I think is in the interests of not only the External Relations Ministry but of the Government of Jersey as a whole.

Deputy J.A.N. Le Fondré:

What is the distinction between a head of service role and the chief officer role?

The Minister for External Relations:

The distinction is in the nomenclature: I am not an expert in this field, but I am told that a chief officer is generally a head of a department who has responsibility for a larger number of people and a larger budget whereas a head of service is the head of a department or ministry which is much smaller and, because the External Relations Ministry is the smallest of the ministries of the Government of Jersey, it is a head of service.

Deputy J.A.N. Le Fondré:

In terms of salaries and things like that, are they broadly comparable or are they less or does it just depend?

The Minister for External Relations:

I think the figure is already in the public domain, and I do not know exactly what the figure is, but in the region of £120,000, I think, is the salary for the head of service.

Deputy J.A.N. Le Fondré:

I think really what we are trying to go to then, and I think we may well move on, but when the transfer of the chief officer role to Community and Constitutional Relationships, or Affairs, or whatever it is, moved across it was held up that a post was going to be saved, which made logical sense. How would you like to address the perception that, despite the need issue, from a perception point of view a post has gone across but the saving has not been made because the title has been changed? There may have been a fraction of saving possibly in salaries but a

significant chunk of the saving has not been achieved, which is slightly different to what was said when the original moves were proposed.

The Minister for External Relations:

Well, I think I would answer that by saying that, so far as the Minister for External Relations is concerned, there was never any agreement that a chief officer post should be suppressed; it was a matter which was discussed, it was considered, it was never agreed by me that the chief officer post should no longer exist. The reality of the situation during the last 12 months is that the number of posts in the ministry has diminished, it has gone down by around 20 per cent, which is very significant. The numbers are small but, certainly so far as the officials working in St. Helier are concerned, the number has gone down by about 20 per cent. If one is expected to carry out the job which the States has given the External Relations Ministry by establishing it and by giving it certain responsibilities, you have to have people, and the right people, to do the job.

Deputy J.A.N. Le Fondré:

I will ask one final question and then move across to somebody then: you made reference to the issues around the composition of C.M.B. (Corporate Management Board) and the fact that the Director for External Relations did not have access to that. Could it not have been more easily achieved by just changing the composition of C.M.B. to allow the Director access?

The Minister for External Relations:

Well, that was not just a question of access to C.M.B.; that was one of the consequences of not having a chief officer post, but the pressures that we face at the moment, and the panel itself has been focusing to a large extent in this examination so far on the problems that would arise for Jersey if there were to be a Brexit, mean that you do have to have the right people and good people and enough people in the External Relations Ministry in order to do the really important work which is required to protect Jersey's interests.

Deputy J.A.N. Le Fondré:

Okay, let us move on. Thanks very much. Right, Chris?

The Connétable of St. John:

A fairly topical subject at the moment: itinerary of recent visits off-Island. Could you inform the panel of recent visits off-Island and the purposes for those visits?

The Minister for External Relations:

Can you put a timeframe on that, Connétable?

The Connétable of St. John:

Should we say this year, since 2016?

The Minister for External Relations:

I can only answer for the External Relations Ministry; I know the Chief Minister has been to Brussels and may have made other visits and other ministers may have made other visits. So far as I am concerned, I have been to London on a number of different occasions, principally for meetings with different ambassadors: the Ambassador of Portugal, the Ambassador of Croatia, the Ambassador of the Slovak Republic, the Ambassador of Lithuania, the Ambassador of the Philippines, and I have had a number of other meetings with different organisations. I had a meeting, for example, with Christian Aid, which has been one of Jersey's persistent critics, and I wanted to try to understand what it was that underlay these criticisms and so I went with officials to talk to the Chief Executive of Christian Aid. Some of my officials have had other meetings: they have been to the Foreign and Commonwealth Office and to the Ministry of Justice, but I do not think that there has been any other travelling out of the Island, except, and I think I had mentioned this earlier on, in relation to Rwanda; 2 of my officials went out to Rwanda to have engagement out there. We have, in fact, seconded one of our officials for 2 months or so to the Government of Rwanda with a view to building up the relationship that I was speaking of earlier on.

The Connétable of St. John:

Thank you. I just wonder how some of these visits benefit the Island; you mentioned you had met the Filipino representative High Commission in London. Forgive me here, but what is the benefit to the Island?

The Minister for External Relations:

We have a small, but not insignificant, Filipino community in Jersey and the Ambassador of the Philippines came over to Jersey to pay a visit at the end of last year and he has now been recalled to Manila. He took the opportunity of coming to the London office in order to have a general discussion and to say farewell. So that particular visit was, I think, more of a social matter than a matter where government business was being discussed, but a number of the visits have concerned our efforts to try to get Jersey removed from blacklists of different countries, particularly European Union countries. We have successfully got ourselves removed from some of those blacklists, particularly Italy's. Mr. Walwyn might be able to remind me of the other ones, but I think one or 2 others as well; I think Greece, possibly. But we still remain on the blacklists of about 5 or 6 different countries, including Portugal and Lithuania and, I think, the Slovak Republic, is it, or Croatia?

Director, External Relations:

Croatia.

The Minister for External Relations:

Croatia. So those 3 ambassadors were very much concerned with the blacklisting issue.

The Connétable of St. John:

Thank you. Blacklisting brings us on to the representative from Jersey appeared before the European Parliamentary Tax Committee last week. The official press release from the European Parliament made reference to: "M.E.P.s (Members of European Parliament) criticising the jurisdictions attending", of which Jersey was one: "for their low level of corporate taxes. The States of Jersey press release put a more positive spin on the meeting." What is your view on how that meeting went?

The Minister for External Relations:

My view is that it went extremely well. I think that there was never any likelihood that the Islands were going to persuade all our critics on that one occasion that the criticisms were ill-founded, but I think that there was an opportunity, probably for the first time, to put to representatives of the European Parliament the reasons why we have a zero tax rate for companies, and to explain that that was not contrary to any European policy and nor was it detrimental to the tax interests of other European countries because of the transparency which accompanies it. So it was, I think, a very useful exercise and of course the position of the Jersey Government, which was set out in a paper that was given to the representatives of the European Parliament who were there, subsequently appeared on the website of the European Parliament, so it is there as a permanent record of our position. Some of our critics do not really wish to know what the other side of the story is, and there are some people who will never be persuaded, but for those who have an open mind the material is now there and available to them. So I think it was a positive outcome.

The Connétable of St. John:

How do you think other European member states and the European Parliament generally view Jersey, because that was the European Parliament as opposed to individual members?

The Minister for External Relations:

I think our relationships with the governments of European countries are very much more positive than the relationships with individual parliamentarians and with the media. I think the result of the work that has been done by the Brussels office and the office in Normandy and, if I may say so, the ministerial visits that have been made by me and by the Chief Minister to ambassadors and others in London and in Brussels, have persuaded the governments of most European countries

that Jersey is a co-operative jurisdiction and one that is transparent and is not doing damage to the interests of other countries. I think there was a sea change in our relationship with the Government of France when we were placed on the blacklist and, as a result of that, there was very intense engagement by Mr. Walwyn and by others with the officials at the Ministry of Finance in Paris, and a change of legislation over here and subsequently a very rapid removal by France of Jersey from the blacklist. I think that was a remarkable turnabout in a very short space of time which lay the foundation for a much better relationship with France. I think there is a genuine recognition that we are a co-operative jurisdiction and one that is willing to play its part as a good neighbour in Europe.

The Connétable of St. John:

So we are slowly getting a better understanding in Europe as to what Jersey stands for and our position?

The Minister for External Relations:

I think we are, Connétable.

[13:45]

The difficulty is that the prejudices run very deep in the general population and in the media but that applies not just France and to other European countries but to the United Kingdom as well. I think that the United Kingdom Government has got a very clear understanding of where we stand and we have a very good relationship with the United Kingdom Government but, nonetheless, one will read stories in the media. I read one over the weekend which again suggested that people are hiding their assets in Jersey and we are assisting people to avoid or evade tax in the United Kingdom, when the reality is that H.M. (Her Majesty's) Treasury and H.M. Revenue and Customs know that they get very strong co-operation from Jersey. The Prime Minister of the United Kingdom himself has said it is high time that Jersey and some other islands too were not described as tax havens anymore. But these prejudices, as I say, are very deep-rooted and it may well take time to turn the ship around completely.

The Connétable of St. John:

Thank you.

Deputy K.C. Lewis:

Minister, what visits do you have coming up and what is the progress on these visits?

The Minister for External Relations:

I am due to go to Brussels I think in April, partly with a view to having meetings with our officials in the Brussels office, but partly too to have a number of meetings with high commissioners or representatives of different European countries with whom we need to engage. I am due to go to Lisbon in June or July, and that is a culmination of some very intense diplomatic effort which has been undertaken over the last 12 months or more in order to get Jersey removed from the Portuguese blacklist. I have a meeting planned with the Minister of Finance and we are preparing for that meeting very carefully and hope that will get a positive result after that. These blacklists are very detrimental to our interests: we get complaints from time to time from trustees and others who may be doing business with Portuguese residents or beneficiaries, that, whenever a distribution is made under, let us say there is a Jersey trust which is administered in Jersey for the benefit of a Portuguese resident, because the trust is established in Jersey, which is on a blacklist, whenever a distribution is made and declared to a Portuguese beneficiary, then that beneficiary suffers a penal rate of tax. If the trust were in London there would be no penal rate of tax, and that is just not fair; there is no reason for it and it is detrimental to the interests of those who want to do business in Jersey and from Jersey and so we have been working extremely hard to persuade the Portuguese that this ought to change.

Deputy K.C. Lewis:

Minister, with the recent, how can I put it, media frenzy regarding flight costs with the States, how do you and your officers travel?

The Minister for External Relations:

We observe the policy that has been laid down by the Chief Minister's Department and if we are engaged in long-haul travel we all travel business class, if we are engaged in short-haul travel, which is 90 per cent of the travelling that the External Relations Ministry does, we travel economy. We do our best not to build up expenses which are avoidable and to keep those expenses as low as we can.

Deputy K.C. Lewis:

Do you think you travel in a most cost-effective way?

The Minister for External Relations:

Yes, I think we do. When I go to London I stay in my London club which is rather cheaper than a hotel, and we do what we can to keep costs down. But I must say that so far as the External Relations Ministry is concerned, its title gives a hint to the things that it ought to be doing and, if it does not engage externally and go and see people outside the Island, it is not doing its job. At the

moment I think that the budget for travel is £50,000 a year for the Minister and all his officials as well, and I think we get extraordinarily good value out of that travel.

Deputy K.C. Lewis:

Thank you. Apologies; I have to go.

Deputy J.A.N. Le Fondré:

Okay. I was going say we are saving the best for last; but not quite. It is a fairly interesting question, I hope: what opportunities do you see for Jersey in relation to the opening stage of the Tour De France being held in Normandy?

The Minister for External Relations:

Perhaps Mr. Walwyn can answer this question better than I can, because I know that we have been having engagement with the Normandy authorities. Perhaps Mr. Walwyn can help?

Director, External Relations:

Yes, indeed. Well, thank you, Minister; it is a matter for Visit Jersey but I understand that Visit Jersey are contributing to part of a sponsorship package relating to the Tour de France, and we are expecting to be briefed about the start of the Tour de France in La Manche with a high-level visit over here sometime soon; I cannot yet go into the details. As part of that we would also expect to be invited to be part of the general celebration of the start of the Tour de France when it does take place over in La Manche. There have been discussions going on, obviously, between ourselves and our nearest neighbours as to the time of this, well, hugely prestigious event, which commands certainly the largest number of television viewers for any annual event and is therefore a great opportunity and occurrence for us.

Deputy J.A.N. Le Fondré:

Out of curiosity as well, and I think it was the second time, there was a stage of the Tour de Bretagne that was held in Jersey in 2010. Obviously, do you consider events like that provide opportunities to promote the Island and our reputation and are we looking to host any more of them? I will particularly ask as an adjunct to that on the Tour de Bretagne: I had understood that there were negotiations that we might be able to hold another stage at some point quite soon? I wonder if you would care to update us on that?

Director, External Relations:

I have no information on that at all.

Deputy J.A.N. Le Fondré:

Okay. But do you think generally these sorts of events are good for us, good to be part of in terms of promoting the Island?

Director, External Relations:

A personal view, absolutely. I think it is a huge opportunity to co-operate with our neighbours as well in La Manche and also in Brittany, Ille-et-Vilaine, because we do have lots of co-operation on other matters and I think when it comes down to tourism we have a lot of common interest.

The Minister for External Relations:

The relationships of foreign countries need to be looked at holistically, do they not? It is not just a question of having a tax information exchange agreement and hoping that you will then have a good relationship; much better relationships result from building up contacts over a wide range of activities: cultural, sporting and so on, and the Tour de Bretagne is a wonderful example of that, I think.

Deputy J.A.N. Le Fondré:

Yes. I do have a wonderful photograph of our then Chief of Police with the head of the Gendarmes, whoever it was; I remember it was quite unusual in Gorey. Right, and that leads us very nicely to Chris's question.

The Connétable of St. John:

Yes. Are you supportive of the existing twinning programmes between the parishes in Jersey and Normandy towns?

The Minister for External Relations:

Yes, enormously supportive. I have had the honour of signing a number of twinning arrangements over the years, in a different capacity, and I think that the grassroots engagement between residents of the different parishes and inhabitants of different communes in Normandy in particular, one with Brittany, are enormously beneficial. Their success, I think, depends to a certain extent upon the Constable but also to a large extent upon others outside the municipality who are willing to put time into making the relationships work. But my own experience of these twinings is very positive.

The Connétable of St. John:

Is there anything you feel your ministry could do to assist with these to get a greater depth of the older age, the middle age and even schools involved in the twinning process?

The Minister for External Relations:

We would certainly be very willing to get our officials in B.I.A.N. (Bureau des Îles Anglo-Normandes) in Caen to give any help that the Constables or the parishes thought could usefully be given. I think it is quite true that there is a natural tendency for these twinings to be twinings of old people getting together and having a glass of wine, and they are much more successful if one can cross the generational divide and get young people in particular to get involved, particularly I think if one can, in each of these communes, try to find a primary school which can link up with another primary school and have children travelling from one place to the other and getting to understand a different culture and, of course, speaking the other language.

The Connétable of St. John:

Thank you, good.

Deputy J.A.N. Le Fondré:

I think we are down to the last couple of questions. Why are the Brussels and London offices run on a grant and not as a budget from your ministry?

The Minister for External Relations:

They are run on a budget from the ministry but they are run on a grant because they are each run, as a matter of law, as a separate corporate entity. In order to have the Brussels office we need to have a Belgian company; that appears to be the most economical and best way of running the Brussels office, and similarly, in Normandy and in London. So for each of these companies there is a discussion; in the case of Brussels and Normandy, involving the Government of Guernsey as well. There is a discussion at the beginning of each year and each office puts forward its budget for what it thinks it needs for doing the various things that each of these offices has been asked to do. There is the usual bartering and negotiation between the head office in Jersey and the offices overseas in order to reach an agreement on a sum of money which is then transferred to the office in the country concerned and is used in accordance with that project.

Deputy J.A.N. Le Fondré:

So the transfer is just done as a grant for ...

The Minister for External Relations:

It is done for technical legal reasons; the budget is still discussed very closely, for obvious reasons.

Deputy J.A.N. Le Fondré:

What are the future plans for those offices?

The Minister for External Relations:

Well, much will depend, Deputy, I think upon the outcome of the referendum and budgets, but if the outcome of the referendum were to be for a Brexit or for the United Kingdom leaving the European Union, then I think we would undoubtedly need to consider boosting our resources both in Brussels and probably in France; whether in Normandy or in Paris I think would be a matter for consideration. The overall plan is set out in the business plans of the 3 overseas offices and we can certainly make those business plans available to the panel, if that would be of interest.

Deputy J.A.N. Le Fondré:

That is always something worthwhile to receive, I would suggest. Yes, if that could be arranged that would be good. Finally, just before it is just time to wrap up and I hope you consider it has been an interesting afternoon, anyway: are there any areas where you think Jersey and Guernsey could work closer together?

The Minister for External Relations:

Yes, there are innumerable areas where Jersey and Guernsey could work more closely together but, as I think the panel will be aware, there are always practical difficulties in joint working where islands have different interests and those different interests are not always easy to reconcile. But certainly in the conduct of external relations, it is really quite important that Jersey and Guernsey should work closely together. I am due to have a discussion with the Chief Minister of Guernsey tomorrow morning about the islands' approach to the Brexit problem, and certainly we want to try to develop a much closer understanding with Guernsey and, to an extent, with the Isle of Man, which will be very important if the United Kingdom does in the event vote to leave the European Union.

Deputy J.A.N. Le Fondré:

Is there anything else?

The Connétable of St. John:

No. I think that wraps it up.

Deputy J.A.N. Le Fondré:

I think we will conclude the hearing. Thank you very much for your time.

The Minister for External Relations:

Thank you very much Deputy and Connétable.

Deputy J.A.N. Le Fondré:

Very well. We will call that a day. Thank you very much to everybody who has been sitting patiently in the public seating.

[14:01]