5.5 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding the application of the Code of Remuneration for Board Members by Jersey Post International Limited:

Why, as reported in Jersey Post International Limited's Business Review 2009, was Principle B1.4 of the Code of Remuneration for Board Members not applied in respect of one member's declaration of his role as a director of the boards of various other companies?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

The Business Review is a matter for the board of Jersey Post, it is not a document that the Treasury drafts or approves. What I can say is Principle B1.4 refers to the disclosure of directors' remuneration from other sources. I am advised that the board satisfied itself that other non-Jersey Post positions held by the director did not conflict with or impact on his ability to perform in his role as interim executive director of Jersey Post. The board disclosed this fact and considered it was not necessary to make a more detailed disclosure in this case. I am advised that the statement in the company's Business Review explains this matter and complies with the standard reporting requirements.

5.5.1 Deputy R.G. Le Hérissier:

Would the Minister not think that given there was a lot of contention in regard to the board member that it would have been much more transparent had all this been published? There is absolutely no earthly reason why it should not be published so that Members should not gain the full picture.

Senator P.F.C. Ozouf:

I do not think I can really add much more than I have said in my answer. This is a matter for the board themselves, in terms of their disclosure. I require all States-owned companies, and companies that the States has a shareholding in to adhere to the high standard of governance, and I am satisfied that there has been no issue in terms of governance or lacking in standards in relation to the reporting of Jersey Post. Deputy Le Hérissier is entitled to his own view in relation to some matters, but as far as reporting requirements, I am satisfied.

5.5.2 Deputy R.G. Le Hérissier:

Would the Minister not concede that the full circumstances and the full monitoring arrangements upon which the said director left should be publicised in order that people can make their own assessment, after all the Minister has been defending Jersey Post, as has his Economic Development colleague, for some time and there have been serious concerns raised about the financial viability of projects launched by that said organisation?

Senator P.F.C. Ozouf:

That is a new issue. That is not related to the question that the Deputy raised, which is about disclosure in the annual report. First of all, I am the one that defends Jersey Post, the Minister for Economic Development is responsible for the regulator and there will be natural tensions between us. I do not think that he is defending Jersey Post at all. Certainly there were issues in relation to the diversification strategy that Jersey Post was pursuing. I suppose that it could be the case that when you are taking risks in terms of growing a business some things will fail and some things will

succeed. I am satisfied that Jersey Post has succeeded in more than it has failed in terms of diversification, and I am absolutely supportive of Jersey Post's focus on delivering a postal service within a competitive environment in a world in which letter deliveries are falling significantly, and that is Jersey Post's focus, certainly for the next 12 months, and I have a meeting with the board next week in order to discuss this strategy.

5.5.3 Senator A. Breckon:

Is the Minister aware he is referring to postal services, but I understand the executive director concerned had an interest in a mobile telephone company and Jersey Post set one up as well; is he aware of that?

Senator P.F.C. Ozouf:

I am aware of it. I refer the Senator to the answer that I gave earlier, which is that in fact disclosures for the board members and the executive director are a matter for the board and not for me.