

**WRITTEN QUESTION TO THE
CHAIRMAN OF THE PRIVILEGES AND PROCEDURES COMMITTEE
BY SENATOR S.Y. MÉZEC
ANSWER TO BE TABLED ON TUESDAY 15th JANUARY 2019**

Question

Will the Chairman state what consideration, if any, has been given by his Committee to ensuring that States members' declarations of interests are made as transparent as possible, including requiring any members who own a holding company to reveal what is contained within that holding company?

Answer

My predecessor answered a similar question on 14th February 2017. His answer set out the rules relating to the registration of shareholdings, which have not changed, and said "it is the responsibility of all members to register interests accurately and in a timely fashion and to declare those interests where necessary under Standing Order 106. Complaints that interests have not been appropriately registered or declared can be made to PPC. The Committee has not recently dealt with any such complaints.". This statement still stands.

I understand that PPC did review the rules relating to shareholdings in holding companies. Information was gathered about those rules in other jurisdictions, which is set out in this table:

Jurisdiction	Which shareholdings must be registered?	Is information required about the nature of a holding company?
UK, House of Commons	(i) Greater than 15% of issued share capital (on preceding 5 April), or (ii) If 15% or less of issued share capital (on preceding 5 April), greater in value than £70,000	No
Scotland	(i) nominal value of the shares at the relevant date is or was greater than 1% of the total nominal value of the issued share capital of the company or other body, or (ii) where the market value of the shares at the relevant date exceeds 50% of a member's salary at the start of the current parliamentary session (rounded down to the nearest £10 – currently £30,340)	Yes - "when registering shares, members are required to provide details of the type of shares, the name of the company in which the shares are held, the company's business address and the nature of its business".
Wales	Market value greater than one per cent of the issued share capital (on preceding 5 April)	Yes - " For each shareholding, the entry should state the name of the company or body, briefly indicate the nature of its business and make clear which of the criteria for registration is applicable"

Northern Ireland	Same as Scotland (except the current salary of an Assembly Member is £24,500)	No
Republic of Ireland	(i) Nature of holding (i.e. shares, bonds, debenture or other similar holding) (ii) Name and registered address of company or enterprise or undertaking etc. (iii) Nature of business	No - "holding company" is a sufficient description of the "nature of business" judging from entries in Ireland's Register of Interests.
Isle of Man	shares or stock held in any company whose shares or stock are publicly quoted on a stock exchange in the United Kingdom or Ireland (and shares or stock held in any other company where any asset to which such a company may be entitled is or represents a right, interest or circumstance which is itself a relevant interest)	No
Guernsey	Any shareholdings	Yes, if shareholding is over 10% of issued stock, "brief description of their business/work" plus property ownership in the Bailiwick
Canada, House of Commons	No register of interests	
Australia, House of Representatives	"Shareholdings in public and private companies (including holding companies) indicating the name of the company or companies"	No
New Zealand	(a) the name of each company of which the member is a director or holds or controls more than 5 percent of the voting rights and a description of the main business activities of each of those companies, and (b) the name of every other company or business entity in which the member has a pecuniary interest, other than an interest as a unit holder in a unit trust, and a description of the main business activities of each of those companies or entities, and	The "main business activities" of companies are required to be disclosed but, in practice, some members give no further information than "holding company" in their register entries.

It was noted that Jersey's rules are not out of step with other jurisdictions and no specific concerns had been raised with PPC about the current arrangements. Since then, no complaint has been made to the Commissioner for Standards in relation to Members' shareholdings.

The Committee concluded that, for members who held in excess of 10 per cent of issued stock of a holding company, a brief description of the work undertaken by the underlying businesses 'held' by that company should be declared in the register of interests. However, some complexities were encountered in drafting this amendment to Standing Orders and the matter was not resolved before the election and has not been picked up by the new PPC. The issue will be discussed at the next meeting of the Committee.