

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 25th MARCH 2024
ANSWER TO BE TABLED ON WEDNESDAY 3rd APRIL 2024**

Question

“Following completion of the third office building at the International Finance Centre by the Jersey Development Company, will the Minister advise -

- (a) how many occupants of these three buildings are new businesses to the Island;
- (b) how many staff are employed by these new businesses; and
- (c) whether any additional tax revenue has been raised, or is predicted to be raised, from these new businesses, and if so, how much?”

Answer

- a) The States of Jersey Development Company (“SoJDC”) does not track how many of its office occupiers are new to the Island. This is not relevant to SoJDC’s pre-let requirements or SoJDC’s letting strategy. Whilst I do not keep track of the tenants of the properties constructed by SoJDC, it is believed that for the most part the office tenants are well established businesses that are seeking superior office space in which to expand and grow their operations.

It should however be noted that the IFC development is the flagship for the Island’s primary industry. It is vital that our financial services businesses can operate in the most efficient and effective manner, out of quality office buildings that are commensurate with other leading jurisdictions. Financial services businesses are sophisticated, agile and mobile and providing the right infrastructure is critical to retaining these businesses in Jersey and offering them opportunities to expand and grow locally.

The former CEO of Jersey Finance, said in April 2013 in a letter in support of the planning application for the IFC4 building:

“the provision of so-called Grade A space [that the IFC provides] is a key component of retaining existing business over the long-term and potentially attracting new companies to the Island.”

He added:

“our experience in looking around the world and benchmarking ourselves against other international finance centres, is that wherever a jurisdiction makes a successful investment in developing a dedicated financial services district, that region, whether it be the Square Mile and Canary Wharf in London, or the Dubai International Finance Centre, acts as a significant positive attractor for company location, business flows and jurisdictional substance and reputation. As such...a dedicated financial district in Jersey...would be a positive step for the Island’s finance industry and by extension, a positive step for the Island’s long-term economic prospects.”

- b) SoJDC does not track how many staff are employed by these businesses, which again is not relevant to SoJDC’s pre-let requirements or SoJDC’s letting strategy. I in turn do not have this information.

- c) Neither I nor SoJDC have access to the business plans and budgets of the private businesses that are tenants in the IFC buildings that could conceivably provide any indication of additional tax revenue that may or may not be raised from these businesses. In any event, I would not comment on the tax affairs of private businesses.