

**QUESTION TO BE ASKED OF THE PRESIDENT OF THE ECONOMIC DEVELOPMENT
COMMITTEE ON TUESDAY 8th JULY 2003, BY THE DEPUTY OF ST. JOHN**

Question

Will the President explain the reasons why the Committee has decided to employ its own finance industry executive, and at what cost in salary, rather than utilise existing resources employed through Jersey Finance Limited, such as the Chief Executive and Chairman?

Answer

P.176/99, entitled 'Industries Committee: terms of reference and transfer of functions', sets the overall mandate of the Industries Committee, which has been inherited by the Economic Development Committee and includes a responsibility to form, through Strategic Development Boards, a comprehensive, integrated, industrial and economic strategy for the Island, encompassing responsibility for economic policy as it relates to all industries and the Island's workforce, and to oversee its implementation, once agreed by the States as one of a set of government strategies contained in the States' strategic plan; also to ensure that the Island's economic and commercial strategies are portrayed accurately and to promote and enhance the image of the Island as a place to do business.

The former Industries Committee and the Finance and Economics Committee agreed to defer the transfer of responsibility for the finance industry. In due course, it became clear that the Finance and Economics Committee did not have the appropriate resources to undertake these functions and so that Committee appointed a Finance Industry Executive.

The current postholder has, in fact, worked almost exclusively on international issues since his appointment and has therefore been transferred to the Policy and Resources Committee and re-designated Director – International Finance. The Policy and Resources Committee will continue to play the lead role in issues relating to international relations.

The three Committees involved, namely Policy and Resources, Finance and Economics and Economic Development, are very conscious of the work that has not been done in relation to what might be called the 'domestic' side of the industry, including responsibility for financial legislation and the Jersey Financial Services Commission.

It has been agreed that this 'domestic' responsibility should properly be placed within the Economic Development Department. The three Committees involved have agreed that an additional post is required within the Economic Development Committee to take on the work that was originally envisaged for the Finance Industry Executive within the Finance and Economics Committee. During the current transitional Committee and Department structure, the relevant officers of Policy and Resources and Economic Development will work closely together as a team to ensure that proper attention is paid to the future of the finance industry in Jersey. The new Finance Industry Executive will have a crucial rôle to play in contributing towards the development of a strategy for a sector which is, by some distance, the major contributor to the success of the Island's economy.

There will be much to be done by the Economic Development Committee in fulfilling its role on the 'domestic' finance industry which without the proposed post would not be possible.

The post will be filled by using a vacancy within the Economic Development Department. There will thus be no additional manpower implications. The post has been Hay evaluated and the salary for this post is proposed to be £47,471 a year.

Jersey Finance Limited was set up as a marketing organisation to promote Jersey as an international finance centre. Although it does not have a direct role in the development of strategy and modern commercial financial legislation, which is clearly a government responsibility, it will play an important part in the consultative process

leading to the development of such strategy and legislation.