

3.12. Deputy M. Tadier of the Minister for Economic Development regarding the ability of any creditors or ex-employees to ensure that the assets of Woolworth's in Jersey remain in the Island for distribution:

Will the Minister inform Members whether any creditors or ex-employees of Woolworths in Jersey are debarred from making an application for assistance, in accordance with Jersey law and practice, in order to ensure that any assets of failed business remain within the jurisdiction of Jersey Courts, until their proper disposition might be determined?

Senator A.J.H. Maclean (The Minister for Economic Development):

The simple answer to the Deputy's question is "no", therefore no creditor or ex-employee of Woolworths in Jersey should be debarred from making an application for assistance. Whether any application to ensure assets of the failed business remain within Jersey would be a matter for the Jersey Courts. I should further add, Economic Development, Social Security and J.A.C.S. (Jersey Advisory and Conciliation Service) are closely involved in supporting and advising both employees and suppliers of Woolworths in Jersey. It should be noted that as well as the ex-employees, there are a number of local Jersey companies who are also jointly owed a considerable sum of money for products supplied to the St. Helier's store immediately prior to its closure. The Office of the Viscount continues to monitor the situation extremely closely and will continue its efforts to support both creditors and ex-employees alike. It is understood the failed business still retains assets in Jersey and every effort will be made to ensure their retention under the jurisdiction of the Jersey Courts, until a fair and just settlement can be achieved for all parties concerned. Thank you.

3.12.1 Deputy M. Tadier:

Is the Minister satisfied that the Administrator was appointed following the correct procedure under Jersey Law?

Senator A.J.H. Maclean:

Yes, I believe that was appropriate and indeed local legal advice was taken on the matter, I understand.

3.12.2 Deputy R.G. le Hérissier:

On the basis of the advice received by the Minister, could he confirm whether he has been advised that claims upon Woolworths Jersey from local suppliers, local employees, take precedence from claims from other sources?

Senator A.J.H. Maclean:

No, is the answer to that question.

3.12.3 Senator A. Breckon:

I wonder if the Minister could say where the U.K. Administrator gets his power from to act in the Island?

Senator A.J.H. Maclean:

The U.K. Administrator is administrating the Woolworths plc of which Jersey is one branch, or one part of, I think, 800 or so stores. They are carrying out their duties which have been verified legally. It is appropriate, I understand, the duties which

they are undertaking. Of course, the Viscount has an important role to play as well in determining any local issues regarding staff or creditors.

3.12.4 Deputy P.V.F. Le Claire:

Is it not true that the administrators are appointed through the Royal Court of Jersey and therefore, as these administrators are - if that is the case, which I believe it is, as they are appointed through the Royal Court, surely the States or the Royal Courts of Jersey have the ability to make certain that these administrators are heeding Jersey Law?

Senator A.J.H. Maclean:

As this is a legal matter, can I ask the Attorney General if he would perhaps like to weigh in here with some advice?

The Attorney General:

Yes, I confirm it is appropriate for the administrators appointed by order of a foreign court, which for these purposes the English court is, to apply to the Royal Court in Jersey to have their appointment registered in the public records of the Royal Court, and it is that registration that gives them their authority to act in the Island.

Deputy P.V.F. Le Claire:

Maybe with that information the Minister may attempt to answer my question now.

Senator A.J.H. Maclean:

Sorry, could the Deputy repeat his question please?

Deputy P.V.F. Le Claire:

Given that the authority to appoint an administrator has been legalised through the Royal Court, is it not the ability of the Minister through the States of Jersey, to request the Royal Court that any administrator assigned or appointed heeds Jersey Law?

Senator A.J.H. Maclean:

I understand that there is no suggestion that the administrator is not heeding Jersey Law.

Deputy P.V.F. Le Claire:

In his own report this morning, in answers, the Council of Ministers, and he is a member of the Council of Ministers, have said in the Council's comments this morning received by Members, that the statutory notice was not given.

Senator A.J.H. Maclean:

I accept that point.

3.12.5 Deputy D.J. De Sousa of St. Helier:

I wonder if the Minister could enlighten the House as to why the members of Woolworths were held and bound by an employment contract by England, but they are not covered by their redundancy laws?

Senator A.J.H. Maclean:

The Deputy again raises a good point that gets to the heart of the issue. The employment contracts that the staff had, we would certainly expect the administrators

to, or would hope that the administrators would honour the terms of those particular contracts and we would hope that the employees would get their just returns.

3.12.6 Senator A. Breckon:

I wonder, in light of the comments of the Attorney General, if the Minister could say where the U.K. administrator gets the *vires* to discriminate in different jurisdictions?

Senator A.J.H. Maclean:

Could the Senator elaborate on the discrimination that he is referring to?

Senator A. Breckon:

I know that the administrator is able to accept a different precedent in the Isle of Man, for example. I wonder if the Minister would explain why a similar thing could not happen here.

Senator A.J.H. Maclean:

As far as I understand, the differences in the Isle of Man have not been clarified. I believe the Senator is referring to the payouts that were made. They were made from the Manx insurance fund.