

**2.18 Deputy D.J. De Sousa of the Minister for Economic Development regarding the buy-out of Kleinwort Benson:**

Can the Minister inform Members what steps, if any, are being taken by the Economic Development Department in addressing the buy-out of Kleinwort Benson in view of the fact that Jersey prides itself on only allowing the top 500 banks into the Island?

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

The Economic Development Department will not be taking any direct steps in relation to the proposed buy-out of Kleinwort Benson. The determination of the application for new ownership of this business, if and when received, will be made by the Jersey Financial Services Commission. However, I am able to reassure Members that the Commission is applying its usual rigor in this case in considering the matter against Jersey's long established and well publicised criteria for bank licensing. I am therefore confident that Jersey's high standards in this area, which stood us in good stead during last year's financial and banking crisis will not be compromised or diluted.

**2.18.1 Deputy D.J. De Sousa:**

Bearing in mind it has already been intimated that the owners of this bank now are not in the top 500, what steps are being taken to address this?

**Senator A.J.H. Maclean:**

I think I have said all I can. This is a matter for the Jersey Financial Services Commission. They are at the present time considering this particular matter and I am sure in due course an announcement will be made.

**2.18.2 Deputy P.V.F. Le Claire:**

Kleinwort Benson employ a significant number of highly educated and well-trained staff. Now if they are not given a licence those people may face the risk of losing their jobs. Is the Minister doing anything to talk to this group of highly needed people?

**Senator A.J.H. Maclean:**

At this stage an application, as I understand it, has not come forward but the Deputy is right, Kleinwort Benson does employ over 200, in fact in the banking aspect of the business I believe there are about 40 or so who are employed. So the numbers are less but nevertheless important. I am sure that the business themselves will be working in an appropriate fashion to deal with this matter as and when it comes forward and we will, of course, offer whatever support we can. I am sure my colleague, the Minister for Social Security, would do the same.

**2.18.3 Deputy M.R. Higgins:**

Just to clarify a point made by the Minister, he mentioned that he is waiting for the Financial Services Commission to make a decision on this. As the policy, the top 500 policy, is States policy and obviously the policy of the department, is he not involved in discussion on possible modifications of that in this particular case?

**Senator A.J.H. Maclean:**

Yes, indeed it was a guideline from the States but, nevertheless, we have the Jersey Financial Services Commission, they are independent and I do not think that it would be right to have a dog and bark yourself. They are a perfectly professional

organisation and they are considering this matter with the set criteria that is laid down. I have every confidence in the Jersey Financial Services Commission.

**2.18.4 Deputy D.J. De Sousa:**

Bearing in mind the answer the Minister has just given, will he endeavour to let the House know as soon as possible what is happening with this licence?

**Senator A.J.H. Maclean:**

I am sure that the announcement, when made, will be public and so of course Members will be kept in touch with that information when it comes out.