

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON TUESDAY 1st FEBRUARY 2011**

Question

“As the new dairy at Trinity is up and running, can the Minister advise whether there has been positive feedback from the industry regarding its operation?”

Could members be advised the total amount of financial aid provided by taxpayers to meet the construction and fit out of the dairy?

Was all of the machinery within the new dairy purchased new or second hand (please specify) and, if second hand, is it fit for purpose?

Have contracts with Tesco been as fruitful as expected and, if not, has the dairy requested further help to support the industry financially?”

Answer

1. The JMMB have invested over £12.5m to create a modern dairy facility at Trinity in which to process the majority of the milk produced in the Island for now and in the future. A considerable range of equipment has been installed, to provide the local consumer with a wide choice of dairy products and it has taken time to fully commission all the processing machinery. The Jersey Milk Marketing Board (primarily milk producers) have been informed regularly of this progress and have made comments in a positive and constructive manner.
2. Jersey Dairy applied to the Rural Initiative Scheme (RIS) for assistance towards the cost of specific equipment, required for the production of value added milk products for their export markets. The application estimated the cost of this equipment at £60k and the RIS Panel offered a grant of £48k. The actual spend on a shrink wrapper, Inkjet coder, metal detector and art work for packaging was £45,075.20 and this was claimed in September 2010. No further States assistance was provided towards the £12.5m cost of the new dairy.
3. The equipment in the new Dairy has either been transferred from Five Oaks, purchased new from a supplier or purchased refurbished second hand, with an appropriate warranty from the supplier. It is estimated that there are well over 100 separate pieces of equipment involved in the processing of the milk received at Trinity. The Managing Director of the Dairy has indicated that he would be happy to show the Deputy around the new facility to demonstrate that it is fit for purpose.
4. The opportunity of exporting added value dairy products to the UK has been a key stated aim of the Jersey Milk Marketing Board for some time. It is only now, with a modern facility which meets the exacting standards of mainland supermarkets, that this has become a reality. Jersey Dairy is in currently in contact with a wide range of customers, including Tesco, to achieve the above aim. Jersey Dairy has not requested further additional financial support to supplement income from their export markets.