

## **2.1 Senator S.C. Ferguson of the Minister for Treasury and Resources regarding the scheduled delivery date of the £100 notes to commemorate the Jubilee:**

What is the scheduled delivery date of the £100 notes to commemorate the Jubilee, given that celebration of the Jubilee is only for the 6 months to June 2012 so as not to clash with the Olympics?

### **Senator P.F.C. Ozouf (The Minister for Treasury and Resources):**

The note is to be delivered to the Treasury by the end of April 2012 and the launch of the note with a 15 minute film entitled *Royal Island* will be part of the ongoing programme of events throughout the year to celebrate the Jubilee. I am very excited about this project. The note forms part of an extensive programme to celebrate the Jubilee, so I have shared an example of the note with you and Government House and I am pleased - while there are no cameras in this Assembly - to put 3 examples of the notes in the safekeeping room of the anteroom for Members to have a look at. I hope they agree it is wonderful.

#### **2.1.1 Senator S.C. Ferguson:**

Supplementary, sir? According to the business case, the timeframe from placing of the order to delivery is 10 months. Given that it is 6 months to the end of April, has the States entered into any contractual arrangements with the printers prior to the debate of the introduction of this note?

### **Senator P.F.C. Ozouf:**

Yes. Had we commenced the note arrangements now, we would not have delivered it within the Jubilee. If the States do not pass the Regulations today, then unfortunately with the note having been designed, there was no other way of dealing with it and we would be facing aborted costs of £50,000.

#### **2.1.2 Deputy F.J. Hill of St. Martin:**

Does the Minister not have considered it might have been advisable to seek an 'in principle' decision first before going ahead with these plans?

### **Senator P.F.C. Ozouf:**

I agree we are in a position where we would not have got the note done. The reason why the note is being proposed is as Members will be aware of the decision to use "Equanimity" - the holographic image of Her Majesty for the National Portrait Exhibition - which we only were aware of in the spring of this year. So, we have moved as fast as possible in terms of putting a programme of events, but I do fully accept that if the States does not wish to proceed with it there are abortive costs. But had we not gone ahead we would not have a note and we would not have had all the other exciting ... there are some aspects of the use of the hologram, which have not been announced yet, we would not be able to celebrate the Jubilee in this way.

#### **2.1.3 The Deputy of St. Martin:**

Could I just follow up on that? Can the Minister give the House some idea of the cost and the time of civil servants, *et cetera*, of preparing all this work without getting approval from the States first?

### **Senator P.F.C. Ozouf:**

The direct costs are £50,000. There has been some work by the Treasury Department, but what I am pleased to inform the Assembly is that there has been an honorary group that have designed the note. I have appointed an honorary group of individuals involving the local art world, who have gone and designed the note with people from De La Rue, which is the cost. The actual business case is that if we are successful in circulating 5,000 notes, we will more than cover the costs. In fact, we think that is a very conservative estimate. We think that the Currency Fund will benefit and there will be a profit in relation to the circulation of the notes.

#### **2.1.4 Deputy M. Tadier of St. Brelade:**

While this may not be a particularly important issue in the grand scheme of things, does the Minister for Treasury and Resources not accept that this sets a dangerous precedent where if he can set up things which have a cost implication before it has even been passed by this House, it has a very dangerous implication for democracy in Jersey?

#### **Senator P.F.C. Ozouf:**

I accept that decisions have been made and there is an abortive cost if the States does not approve it. I fully accept that. However, I would have thought that Members would be encouraging of events and symbols to celebrate the Diamond Jubilee. I hope that Members when they see the note, when they see just what a marvellous symbol of celebration of Jersey culture, of Jersey heritage and the Diamond Jubilee that they will warmly endorse the Regulations to allow us to issue a £100 note.

#### **2.1.5 Deputy M. Tadier:**

May I have a supplementary? Whether the House is supportive or not is not the issue here. Surely the issue is that we should not be having the first debate about whether or not to have this £100 note during a question time session. We should be having it during the debate on whether or not to have a £100 note. Does the Minister not agree with that?

#### **Senator P.F.C. Ozouf:**

We are going to have a debate on whether or not to have a £100 note. So, we will deal with that issue there. The fact is that we were not aware that the hologram was going to be part of the National Portrait Gallery until very late. We have moved very quickly with other events in order to celebrate the Diamond Jubilee. I am sorry that it has taken time in order to do the Regulations, but we are where we are. There will be abortive costs, which I will have to take responsibility for if the States do not approve it. But I did take soundings and I thought that this would be something that the States would warmly endorse.

#### **2.1.6 Deputy G.P. Southern of St. Helier:**

I think we have invented a new type of Government; Government by soundings. The point is whether or not this House agrees to this particular move, the Minister has spent money, laid out money and put money at risk, before seeking the permission of this House to do so. This is no way to run a Government.

#### **The Bailiff:**

What is the question there, Deputy?

#### **Senator P.F.C. Ozouf:**

I hope that the Assembly in the majority will support the decision that I have taken and will support the risk that I have taken in moving ahead in order to have the celebration of the hologram. The hologram of Her Majesty is going to be one of the key images - one of the 2 key images - to celebrate the Diamond Jubilee. It seems to me that it fits perfectly on our currency and I would have thought it was not possible to do any other denomination, because of the issues that I will explain later on in the debate. I would have thought Members should be saying: "Thank you for making a decision in order to celebrate something which is going to unify the Island and something people can be proud of." But I realise that, as usual, one can get criticised for making decisions and I apologise for that.

**2.1.7 Deputy M.R. Higgins of St. Helier:**

Could I ask the Minister for Treasury and Resources whether this expenditure was approved by his Chief Accounting Officer? Also, whether, without States' approval, it was a lawfully made decision?

**Senator P.F.C. Ozouf:**

The Treasurer approves of it, is enthusiastic about it, has cast her careful eye over the accounting arrangements for it and agrees with me that if we are successful in distributing this note then it is going to make a profit for the Currency Fund.

**2.1.8 Deputy P.V.F. Le Claire of St. Helier:**

It is my understanding that Jersey currency in circulation makes money for the States of Jersey. Would the Treasurer just indicate whether or not that is the case for £100, as I am certain it is? Would he also not agree that when we are spending £850,000 on compost sites, there are better things for us to question than whether or not making £100 note for a Diamond Jubilee is the right thing to do? It is going to make money for Jersey, is it not?

**Senator P.F.C. Ozouf:**

It is going to make money, but that is only a by-product. We make money out of the circulation of our currency and I realise that I am going to be criticised, but this is a sensible business decision. It is also a symbol of celebration for the Diamond Jubilee and a symbol of national Jersey unity of the fact that our "Equanimity" is one of the central images of Her Majesty. I would have thought that the Members of this Assembly would be enthusiastically supportive of that, quite apart from the business case, which is clear, and it will be profitable.

**The Bailiff:**

Deputy Le Fondré and then final question for Senator Ferguson.

**2.1.9 Deputy J.A.N. Le Fondré of St. Lawrence:**

If I have understood it correctly, the cost to date is £50,000. So, splitting that into 2 parts, are there any other commitments that the States are contractually obliged to at the moment? I understand that the total cost is in the order of £250,000, which obviously is the balance that goes ahead. On that basis, what is the timeframe for this item to break-even?

**Senator P.F.C. Ozouf:**

I have provided extensive remarks to the Corporate Services Scrutiny Panel, which I understand Deputy Le Fondré is part of. He will see from the information already

given that the total cost, if we go ahead, to produce 100,000 is £286,000. On the basis of the return to the Currency Fund, we will make a profit, or the Currency Fund will make a surplus, in excess of 5,000 notes, which is a very conservative estimate of the amounts of notes that we will circulate. There are no other costs associated with this apart from the fact that there has also been a film which has been commissioned, which is going to be used for both launching the note and also for other promotion of Jersey throughout 2012 associated with the Diamond Jubilee, but is not directly associated with this proposal.

**2.1.10 Deputy J.A.N. Le Fondré:**

Can I pull up to that? Firstly, the Minister did not answer the question in terms of the timeframe for payback. Secondly, he just indicated that the film makes reference to the £100 note and therefore there would be an additional abortive cost if this is not approved.

**Senator P.F.C. Ozouf:**

The film itself is celebrating the Diamond Jubilee and the links of Jersey to the Crown. That is a linked issue. The film is very carefully crafted. It is a 3-D film also celebrating the holographic image and it will have a bolt-on at the end which can be used for promotion of the Island for tourist aspects and others. Perhaps it will be used for the British Airways film that is shown to passengers on British Airways around the world, for example. It has a number of uses. In relation to the payback, I think the Deputy will well understand the way the Currency Fund works. Somebody taking or buying a £100 note is effectively giving the States of Jersey an interest free loan for the period of time that the note is in circulation. So, the estimates that we have used are very conservative in terms of the return. We are confident that we will issue, if the States approve, well in excess of 10,000 and therefore it will make a profit immediately on the basis of the return that we get on that interest free loan that is held by the States.

[10:00]

**2.1.11 Senator S.C. Ferguson:**

I would ask the Minister for Treasury and Resources, is this project really for collectors in order to make money for the States or is this for the public to celebrate the Jubilee, considering that most of the public would not be able to put £100 away as a collector's item.

**Senator P.F.C. Ozouf:**

This is a multi-faceted project. It is a collector's piece. It is to celebrate the Diamond Jubilee. But also part of an overall programme of events to celebrate the fact that Jersey's image equanimity is one of the central defining images for the Diamond Jubilee. I understand the issue of inclusiveness and that is the reason why, as the note, which is going to be circulated to Members shortly, is going to indicate that the symbol of the £100 note is going to be used, for example, for a series of mugs that are going to have the £100 note on. I was sent a Guernsey £1 note ...

**The Bailiff:**

A slightly more concise answer please, Minister.

**Senator P.F.C. Ozouf:**

Okay. Well, therefore, our £100 will be on tea towels, on mugs and I would suggest that that is **[Laughter]** going to be very inclusive in terms of the use of this wonderful resource for Jersey.