

4.7 The Deputy of St. Martin of the Minister for Economic Development regarding the progress of the draft primary legislation associated with the introduction of a Financial Services Ombudsman:

Could the Minister confirm his target date for States debate on the draft primary legislation associated with the introduction of a Financial Services Ombudsman?

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

I am taking the draft Financial Services Ombudsman (Jersey) Law to the Council of Ministers in November and intend lodging immediately thereafter. That should lead to States debate in January 2014.

4.7.1 Deputy M.R. Higgins:

Will the Minister tell us whether his proposal is a joint one with Guernsey or he is going it alone?

Senator A.J.H. Maclean:

The law has been drafted so that it can work with Guernsey, not that it must work with Guernsey, but the intention, very clearly, is to have a joint Channel Island Ombudsman, just for clarity.

4.7.2 Connétable S.W. Pallett of St. Brelade:

States Members may or may not be aware that Guernsey will be debating whether in principle they want to be part of a Channel Islands Ombudsman later this month. Can the Minister assure the Assembly there will be no further delay in bringing forward legislation whether Guernsey agree or not?

Senator A.J.H. Maclean:

I hope I have given clarity about the intention for a debate of the primary law here in Jersey. That is targeted for January. The intention is to work jointly with Guernsey for a planned Channel Islands Ombudsman. It makes perfect sense to do that. We believe, working and discussing with our colleagues, that there will be no delays with our association through Guernsey.

4.7.3 The Connétable of St. Brelade:

I know the Minister said he is going to be lodging legislation so could he give us an idea when a door for the Ombudsman will be open for people that want to pursue any complaints they may have?

Senator A.J.H. Maclean:

Another point that I should clarify - which hopefully will answer that question - is that we made it clear from the time of the debate in January 2010 that any claims would be on a retrospective basis so when the law does come into place, any claims that go back to that date of that agreement by this Assembly, that is January 2010, will be heard by the ombudsman.

The Connétable of St. Brelade:

Could he answer the question when would the door be open?

Senator A.J.H. Maclean:

When the Ombudsman is approved by the States and when the regulations have also been approved. I cannot give an exact date but it will follow the due process of a debate here in the States in January and thereafter I would hope that the ombudsman should be in place by the middle part of the year but I cannot be exact at this stage.

4.7.4 Deputy M. Tadier:

Would the Minister advise whether which powers, if any, the J.F.S.C. (Jersey Financial Services Commission) currently have to resolve individual complaints and to intervene and adjudicate in current disputes?

The Bailiff:

I am not sure that is related to this question, Deputy.

Deputy M. Tadier:

It is related insofar as I am dealing with a constituent's case who faces losing her house who I met last night and because there is not an Ombudsman and we are told that the J.F.S.C. cannot intervene, I would like to know what are the current powers.

The Bailiff:

I think you must pose a question on that, Deputy Tadier. This is to do with the Ombudsman. Deputy Vallois?

4.7.5 Deputy T.A. Vallois:

Could the Minister explain what the original timetable was for bringing this to the States?

Senator A.J.H. Maclean:

The Deputy is aware that this was debated by this Assembly in January of 2010. Consultation with industry followed. In terms of law drafting, it has been quite complex. There are, interestingly, no clear definitions of financial services businesses in the Island. There are 8 to 12 different individual laws that feed into this particular process and it took until September 2011 when the law drafting instructions were submitted by the Economic Development Department and the law drafting work has been commencing thereafter.

Deputy M. Tadier:

May I be allowed to try and rephrase my question? It is an important issue.

The Bailiff:

Not yet, Deputy. I come back to Deputy Young.

4.7.6 Deputy J.H. Young of St. Brelade:

Would the Minister agree that if he does propose to the Assembly that we go jointly with Guernsey, that this means that the Ombudsman service can only be implemented at the pace of whichever is the slowest party, Jersey or Guernsey?

The Bailiff:

Senator Ferguson, I think that we are hearing something from your machine at the moment [Laughter] so I sense a fine coming the way of the Greffier. Yes, Minister?

Senator A.J.H. Maclean:

I fear I let the Senator down because my microphone was on and amplified her problem. [Laughter]

The Bailiff:

You could always offer to share the fine. [Laughter] [Approbation]

Senator A.J.H. Maclean:

Perhaps, Sir. As I have already stated, going back to Deputy Young's question, I do not believe that there should be any undue delay as a result of working with Guernsey. We have been

assured by our colleagues in Guernsey that in respect of the fact that we have spent time developing the drafting instructions, that it will fast track the process for them. They are having a debate on 29th of this month and assuming that is approved, and the indications are positive, it will be inconceivable really that the Islands did not move together with a joint Channel Islands Ombudsman and I do not see any necessary delays by so doing at this stage.

The Bailiff:

Okay, then, Deputy Tadier. Do you want to have another go?

Deputy M. Tadier:

That is okay, Sir. I will pursue this outside, thank you.

The Bailiff:

Certainly. Then a final question from Deputy Higgins.

4.7.7 Deputy M.R. Higgins:

First of all, I express my surprise at there being no definition of financial services business because half the laws that the Jersey Financial Services Commission enforce are dealing with financial services business but, that is an aside. Would the Minister tell me what changes have been made to the drafting of the Financial Services Ombudsman to accommodate Guernsey and why it has taken so long and have the original proposals been watered down to meet Guernsey's requirements?

Senator A.J.H. Maclean:

I think I answered that previously. This particular law, the Financial Services Ombudsman Law, has been drafted for Jersey and it has been drafted so that it can work with Guernsey, not that it must work with Guernsey, so there has been no question of watering anything down whatsoever.

4.7.8 The Deputy of St. Martin:

The Minister stated that it is now a number of years since the decision was taken in this Assembly to have a Financial Services Ombudsman. Does he think it is acceptable that the Assembly should wait this long for this type of decision to be enacted?

Senator A.J.H. Maclean:

No, I do not.

The Bailiff:

Very well. I wonder if Members would agree to interrupting Question Time just for a moment and we will add on the time at the end but Members may have noticed that in the public gallery, there is a visiting delegation from the Hangzhou High Tank Development Zone in Binjiang District in China and that is led by Mr. Zhang Gen, the Party Secretary. I understand this is a reciprocal visit to Jersey following on previous visits by Jersey politicians and officials to the Hangzhou District and during their stay in the Island, they are going to meet various members of the local business community as well as Ministers and States officials. So I am sure that Members will wish to welcome the delegation in the usual way. **[Approbation]** Very well. We will now resume Question Time, as I say, with added injury time at the end. **[Laughter]** We come next to a question which Deputy Young will ask of the Chief Minister. Deputy Young?