

5.12 Deputy T.M. Pitman of The Chief Minister regarding the intervention of the UK Justice Minister regarding Jersey's placement on the French tax 'black list':

Why has the U.K. Justice Minister been requested to intervene regarding Jersey's placement on the French tax blacklist?

Senator I.J. Gorst (The Chief Minister):

Jersey has autonomy in domestic affairs, including fiscal matters so we have approached the French authorities directly with requests for meetings at the highest level so that we can understand more fully the reasons for the action they have taken and respond accordingly. Given our longstanding relationship with the United Kingdom we often find it helpful to see what support might be provided in resolving international issues. The Minister who leads for the U.K. on Crown dependency matters is the Minister of State in the Ministry of Justice.

5.12.1 Deputy T.M. Pitman:

It is common knowledge though, probably no thanks to Jersey's mainstream media, that within the former police chief's 62,000-word defence document, the *Wiltshire Report*, he made clear that the Chief Minister, Assistant Minister and the Deputy Bailiff had asked the Chief of Police to explore independence from the U.K.. This being the fact, can we realistically expect the U.K. Justice Minister to then become involved in a problem which I think it has to be accepted is of Jersey's own making?

Senator I.J. Gorst:

I am sorry, I fail to see how that arises out of the original question. Simply, perhaps I might answer the final part of that question is this problem of Jersey's own making? No, it is not. Obviously the Minister for Treasury and Resources ... the administration of Tax Information and Exchange Agreements falls within his remit and he has answered very ably this morning all the questions of this Assembly. It is the role of the Chief Minister's Department and the International Affairs Department to support individual Ministers on issues like this.

[11:15]

That is exactly what we have been doing. I think he has fully answered and I am therefore surprised the Deputy could hold the view or even think after those fulsome answers, that it was of Jersey's making.

5.12.2 Deputy J.A. Hilton:

Just briefly, is the Chief Minister able to say whether any other country has threatened to put Jersey on the blacklist but the position has been resolved before it has become public knowledge?

Senator I.J. Gorst:

As the Minister for Treasury and Resources ... I cannot just recall exactly what he said ... Jersey has 39 Tax Information and Exchange Agreements currently. The administration of those are peer reviewed and I can say that the only country at this moment in time that we have issues with is the French and we are committed to resolving those and resolving any misunderstandings that might have arisen. In actual fact, other countries in their submissions to the peer review mark us as very co-operative and some of the judgments that have been through the Royal Court are taken elsewhere in other jurisdictions as model judgments with regard to co-operation.

5.12.3 Senator L.J. Farnham:

Given the Chief Minister's previous statement about our good reputation in co-operation it might be helpful for him to say whether he understands that the problem with the French might well be resolved. I am really asking if he is confident that it will be resolved?

Senator I.J. Gorst:

There are obviously issues which need to be resolved otherwise the French would not have designated us for potential listing on the list of non-co-operative jurisdictions as of January next year. Ministers are confident. As the Minister for Treasury and Resources says, he has reviewed a dossier. We will in due course be passing a dossier to the French ambassador to the Court of St. James for onward transmission to Paris and then we will be meeting with Ministers in Paris and we hope that misunderstandings can be resolved and we can find a working solution into the future so that we are not listed in January of next year.

5.12.4 Deputy G.P. Southern:

In the light of the Minister for Treasury and Resources' statement that France and the US insist that we ask permission before we publish how many requests have been received under T.I.E.A.s does that mean that previous figures given for T.I.E.A. requests were inaccurate when they were given to the States?

Senator I.J. Gorst:

No.

5.12.5 Deputy M. Tadier:

The Chief Minister has referred several times to misunderstandings. Does the Minister have a basis for thinking that the blacklisting is due to a misunderstanding rather than a correct understanding from the French and Jersey currently, certainly for our part, not knowing why we are on that list?

Senator I.J. Gorst:

Ministers cannot take what they read in the media or on certain blog sites as fact. Therefore Ministers have a responsibility to ascertain the facts from the jurisdictions in question, which might be making statements in this case the French proposing to list us as unco-operative. That is exactly what we are doing, not surmising.

5.12.6 Deputy M. Tadier:

Can the Minister give a timeframe because it has been 2 weeks already since we have known about this? We are still talking about misunderstandings about blog sites; the mainstream media speculating as to why we are on this list. That is because we have not had any answers from Ministers when Ministers do know certain amounts of information including the numbers of T.I.E.A. requests that have been made and that may be in dispute. When will that information which is known be released from the Council of Ministers' side?

The Bailiff:

The what?

Deputy M. Tadier:

The information that is currently known, but which has not been released, the information relating to why this is. Does it relate to T.I.E.A. requests? How many have there been that have not been complied with? Or is it to do with court cases which are ongoing relating to financial matters of French residents who currently reside in Jersey? What is the real reason and when will we know what the real reason or reasons are for the blacklisting?

Senator I.J. Gorst:

The Deputy tried to indicate in his opening question there that Ministers were not being honest. That is absolutely incorrect. Ministers are not assuming nor surmising. That is why they are seeking ...

The Bailiff:

I took it that he withdrew that because he changed the word.

Senator I.J. Gorst:

I did not quite hear him withdraw, but I am pleased that he has. Ministers are seeking to understand where the problems are, that the French consider would lead to us needing to be listed as unco-operative. As the Minister for Treasury and Resources said, a dossier is being compiled. That will be forwarded on to Paris as I have suggested and then Ministers will have more facts and we hope to be able to ensure that we are not, in due course, listed. I hope that when we have further detail to state then we will be in a position to do so.

5.12.7 Deputy T.M. Pitman:

I have to say the Minister's answer was contradictory, as it often is. He stated that we had full domestic responsibility yet we are asking the Justice Minister to intervene. Could he just, at least outline what help he believes or hopes the U.K. Justice Minister will provide Jersey and how he thinks this sort of mix-and-match, sometimes we ask for help, sometimes we do not, is going to play out in Jersey's interests because I know firsthand obviously that the Minister will not intervene in justice matters even though he has a mandate to.

Senator I.J. Gorst:

The word I used was support and that is due to our long-standing relationship. One would expect us to ask for support in resolving international issues. As the Deputy will be aware, the French have also said that they intend to list Bermuda and B.V.I. (British Virgin Islands). They relate to the United Kingdom Government through the Foreign and Commonwealth Office and obviously it is useful in our negotiations to understand what the British Government is doing on behalf of those overseas territories as well.

5.12.8 Deputy T.M. Pitman:

With due respect to the Minister, what I was asking the Minister is can he explain to us what he thinks the Justice Minister can do because if this is a misunderstanding is it something that Jersey is not putting across to the French? What exactly are we asking the Justice Minister to do? Surely that is fairly easy to respond to?

Senator I.J. Gorst:

I think I just answered that, did I not?