

2020.05.12

**22 The Connétable of St. Helier of the Minister for Economic Development, Tourism, Sport and Culture regarding the winding up of joint C.I.C.R.A. (OQ.127/2020)**

Will the Minister advise Members of any cost to the public of separating C.I.C.R.A.; and will he explain why it was determined that it was not possible for a pan-Island approach to continue?

**Senator L.J. Farnham (The Minister for Economic Development, Tourism, Sport and Culture):**

I mentioned in a previous answer that it was estimated that the cost would be between £100,000 and £400,000. No figures have been provided as yet and I have asked the J.C.R.A. to provide those figures for an effective but affordable organisation that is more fully focused on Jersey competition issues. Any increases will be met, as is usual for regulatory bodies, from licence fees from the sectors with which they regulate, so there will be no direct cost to the public. As I also said in a previous answer, there are differences in political and legal systems between Jersey and Guernsey, political priorities, political cycles, and both Islands have their own processes for board appointments. While it is intended that Jersey and Guernsey competition authorities will continue to co-operate where appropriate, on balance we are of the view that withdrawing from C.I.C.R.A. and enhancing the Jersey Competition Authority under its own board, executive and staff, is a better way of delivering competition oversight and regulation and in the best interests of Jersey and will play a key role in driving productivity and rebuilding our economy.

**4.22.1 The Connétable of St. Helier:**

Does the Minister believe that C.I.C.R.A. represents value for money for the Jersey taxpayer?

**Senator L.J. Farnham:**

There is a great opportunity for it to do so if they really get to grips with markets that we need to drive better competition. We all know that certain sectors, I am not going to name them at this stage, could be working better. There are some huge price discrepancies between Jersey and the U.K., for example, notwithstanding the expense of coming across the Channel and we really want to look closely into those markets to make sure Islanders are getting the best possible value and that businesses can still succeed with those sorts of pricing structures.

**4.22.2 Deputy K.F. Morel:**

Does the Minister believe that at time of crisis, in which we have been told by various Ministers cash is king, is an appropriate time to be spending an extra £100,000 to £400,000 of public money?

**Senator L.J. Farnham:**

I do not think that is the cost over a whole year and, as we establish a new Jersey Competition Authority and get it working and more focused on Jersey markets, that will be a very justifiable increase in expense and will deliver good dividends for the Island and for its consumers, so, yes, I do.