

6. Statement by the Chairman of the Corporate Service Scrutiny Panel regarding the review of the importation of bovine semen

6.1 Deputy P.J.D. Ryan of St. Helier (Chairman, Corporate Services Scrutiny Panel):

Since the initiation of the review into the importation of bovine semen at the end of April, my sub-panel has worked tirelessly to investigate the evidence regarding this matter, which has crucial implications for the future of the dairy industry in the Island. We have received and considered over 40 submissions, attended the World Jersey Cattle Bureau Conference, held last month, visited farms in Guernsey and in Jersey and held 13 public hearings. In addition, we have held a public meeting, giving both sides of the argument the opportunity to make presentations and answer questions from the public. Further evidence is still being received this week in answer to detailed questions arising from earlier evidence and, most importantly, we are awaiting evidence from Defra (Department for Environment, Food and Rural Affairs) and legal advice on questions, including the compliance of the importation scheme currently being operated in Guernsey. That there would be a significant response for our call for evidence was never in doubt. This issue has been the subject of debate for more than 25 years, since 1983, when Senator Shenton first brought a proposition for debate to the States. More recently, over the last 5 years, there have been a series of strategic reviews of the dairy industry by Dr. McQueen, Bruce Woodacre, Dr. Bichard, Promar International and also the Economic Affairs Scrutiny Panel. I know from many farmers who have contacted me, that they see a prompt States decision on this issue as pivotal to their future participation in the industry. The R.J.A.&H.S. (Royal Jersey Agricultural and Horticultural Society) representing the majority of the Island's registered milk producers has told us that the immediate future of Jersey Dairy rests on the outcome of the debate. Thus, we fully appreciate the reasons why the Chief Minister gave a commitment to the industry that the issue would be debated by the States before the summer recess, and we took on the review with a resolve that we would meet this deadline. However, it is only in undertaking the actual review that we have come to realise the extent of the evidence that we would have to deal with. In addition, we have come across important legal questions, which require attention before we can come to any firm conclusions. We are hopeful that we will receive a response to these questions very soon. Provided that we receive the advice within the anticipated timescale, we are confident that we can finalise our report and prepare clear, unequivocal recommendations in time for a debate before the summer recess, but we will have to ask for the indulgence and understanding of Members in order to achieve this. We believe that a realistic target date for publication of our report is Wednesday, 16th July. I note that Wednesday, 16th; Thursday, 17th; and Friday, 18th of July are all designated as continuation days for the States Assembly. In addition, we have to advise Members that it will be necessary to suspend the normal provisions of the Scrutiny Code of Practice, which require evidence sections to be circulated to witnesses and the relevant department 5 days in advance of publication. It is my firm belief that we owe it to both sides of the industry to deal with the proposition this side of the summer recess and I recommend this course of action to the Assembly.

6.1.1 The Deputy of St. Mary:

I have long been concerned that this review would be rushed and that we would not have the benefit of taking in the incredible amount of evidence and research that the panel has done. I would just like to ask a couple of things; there seems to be a conflict here, in the 4th paragraph of the statement, where we see a States debate as the issue being pivotal to the future of the industry and also, we are told the immediate future of the dairy rests on the outcome of the debate. I can see both statements are true, Sir, but if the prompt debate is necessary, if it is pivotal, what we are saying is that the whole of our dairy industry is geared and structured in such a way that a delay of perhaps 2 months would make it fall away. I think that is, dare I say, a ridiculous situation. But the thing is, if it really is that crucial, then surely the risk of not taking the right

decision because of not having the weight of evidence and the time to fully appreciate it, is the biggest risk. We are being asked, in consideration of this review, to make a once and for all change; a change from which there is no going back. Has the chairman explored all possibilities for delaying this debate until the September recess? Has he quantified the exact damage that could be done? Secondly, he talks about the continuation days, does the chairman anticipate that debate will be concluded satisfactorily within that timescale, or is this a sort of covert way of looking to go into the recess? We debated that last week, Sir, and I think it would be a fundamental miscarriage of ... not justice, that is the wrong word, but of our rules and regulations, when people who have legitimately made arrangements, but the only time when they can not be legitimately available to debate, who have a valid contribution they wish to make, would be debarred from doing so if this debate went on into the recess. Last week comments were made ...

Deputy P.J.D. Ryan:

I was trying to find the question in there somewhere but I was having difficulty finding it.

The Deputy of St. Mary:

There were 2, Sir.

The Deputy Bailiff:

The question was whether it was in fact really necessary, I think, to do it before the recess or whether the importance of the matter did not suggest that it would be better to have all the information and to do it in September. Is that a fair summary, Deputy?

The Deputy of St. Mary:

That is the first bit, Sir and also, does he anticipate it can be concluded within the debate's timescale?

Deputy P.J.D. Ryan:

Well, to take the second question first, that is entirely in the hands of the States and how long States Members feel that they want to speak on the subject. I cannot really make a comment on that. All I can do, as a Scrutiny Panel, is to present a report which is not rushed, which is not compromised - if I felt it was going to be rushed or compromised, Sir, I would delay the publication of the report. But there are 3 or 4 caveats within my statement there, which I would ask the Deputy to bear in mind, and any other States Member as well, and those caveats are that we need to get the legal opinions in time, we need to get responses from Defra in time and one or 2 other points. As regards, whether it would be better to leave it until the other side of the summer recess; I think the statement is quite clear. My own view is that it is important to get a decision, if we can, this side of the summer recess but we will report on the 16th. It will be entirely up to the States as to whether they want to debate it or not or whether they feel they can conclude the debate in time. I cannot make that; that is up to the States.

6.1.2 The Deputy of St. Mary:

I accept and I am gratified by the Deputy's statement that the Scrutiny Report will not be rushed but surely by evidence, the consideration by this House, of the report, will be rushed. Furthermore, there will have been no opportunity for the due response process. It will be rushed, Sir, whichever way you look at it. Could he please expand on the importance to the industry?

Deputy P.J.D. Ryan:

The report will not be rushed. I cannot be clearer than that. Thank you, Sir.

The Deputy Bailiff:

The question is whether the consideration by this House will be rushed.

Deputy P.J.D. Ryan:

That will be a matter for the States to decide. I cannot answer that, Sir.

6.1.3 Senator F.H. Walker:

Could I make a point? As every Member of the House is well aware, there are 2 sides to the argument about the importation of bovine semen but the Jersey Milk Marketing Board held their annual general meeting last week and every single producer present, whether they are in favour of importation or not, is in favour of the States debating this at the earliest possible opportunity. That was, I understand, a unanimous vote from the producers present at the annual general meeting. That is how it was put to me. Sir, I have no doubt at all, I was ready to accept, last week, following a number of discussions with the chairman of the Scrutiny Panel who, incidentally, I think are doing a quite superb job in thoroughly analysing the position, I was ready to accept the inevitability of a delay until September but the chairman himself has realised, and his members have realised, the importance of bringing this forward at the earliest possible date and before the summer break, and I have to warmly thank them and congratulate them on the way they have come to a position to do that without compromising the ...

The Deputy Bailiff:

Senator, I am sorry, this is question time to the chairman. The question of when the debate will take place of course will fall for decision by this Assembly later in this meeting. At that stage you can make, no doubt, and others can make whatever points they wish to make.

Senator F.H. Walker:

Indeed. Thank you for letting me go on for so long, Sir.

6.1.4 The Connétable of St. Peter:

I believe, in the interests of good order, it has been stressed very strongly, the importance of the decision that has to be made. The chairman has made it himself, it has been reinforced by the Chief Minister and other speakers and, I believe, in the interests of good order and time that everyone can take in every detail of the hard work that the scrutiny committee have put into this subject, that we should now agree that this would be the first item taken at our new September session. No-one has got any excuse; there are a lot of legal aspects to this, Sir and I believe that in itself is key, fundamental and important and we should certainly bear good time and at least scrutiny of all those decisions that have to be made before we come to a debate in the House.

The Deputy Bailiff:

Connétable, I think that would be a point to be made when the Assembly comes to decide on the business for the next meeting but at the moment this is just questions of a sort to the chairman. Now, are there any other questions?

6.1.5 Deputy C.J. Scott Warren:

I wanted to just ask if we could be told what the problem with the delay until September is?

Deputy P.J.D. Ryan:

My statement is quite clear; this decision is pivotal for many members of the industry. That is all. That is one of the reasons. I believe that the confidence levels of many of the principal players in the dairy industry might be affected by this decision and their willingness to invest further in the industry. I think it is also quite clear, in fact I have an email in front of me from the Dairy and I will read it to you. This is from the Board of the Dairy: "I can confirm that on Thursday, 26th June, Jersey Milk Marketing Board signed heads of terms of agreement in relation to the sale of the Five Oaks site, with the commitment to sign the full sale agreement before the end of August 2008. The heads of terms for the lease of the new site at the Howard Davis Farm have not been finalised." The position, therefore is that, at the moment, the Dairy is

to be sold but there is no decision to build a new dairy. That is quite important and I think Members should bear that in mind.

6.1.6 Deputy G.W.J. de Faye:

On a point of information, Sir, just to perhaps take that a bit further for the understanding of the Members, the situation is if the sale of the Dairy goes ahead, clearly a very substantial level of monies will be placed in the hand of the current members of the dairy industry. As to whether they wish to continue with the industry will depend very heavily on the confidence they have in the outcome of the bovine semen debate. Quite clearly it must be obvious to Members that there will be very strong pressure on some of those members of the dairy industry who have struggled now for very many years to quite literally ...

The Deputy Bailiff:

Sorry, Deputy, we are straying, I think, into ...

Deputy G.W.J. de Faye:

The information, Sir, is that this is not necessarily about the dairy industry so much as the future of the Jersey cow. There will be enormous temptation for many of our dairy farmers to take the very substantial amounts of money they will become entitled to and pack up dairy.

The Deputy Bailiff:

Very well, that concludes the questions, then I think to the chairman of the panel.

Deputy P.J.D. Ryan:

All we can do, and that is the purpose of this statement, and I should make it once again crystal clear to Members, all I can do for Members is to tell them, with as much advance notice as possible, exactly when we will report and I have done that in this statement. It is Wednesday, 16th July. It is now up to Members what they want to do from there.