



Economic and International Affairs Panel

Quarterly Review Hearing

Witness: The Minister for Economic Development, Tourism, Sport and Culture

Thursday, 27th October 2022

Panel:

Deputy M.R. Scott of St. Brelade (Chair)

Deputy R.S. Kovacs of St. Saviour

Deputy M.B. Andrews of St. Helier North

Witnesses:

Deputy K.F. Morel of St. John, St. Lawrence and Trinity - The Minister for Economic Development, Tourism, Sport and Culture

Deputy L. Stephenson of St. Mary, St. Ouen and St. Peter - Assistant Minister for Economic Development, Tourism, Sport and Culture

Mr. T. Holvey - Chief Economic Adviser

Mr. D. Housago - Group Director, Economy

Mr. K. Harvey - Head, Local Economy

[10:31]

Deputy M.R. Scott of St. Brelade (Chair):

This hearing is going to incorporate questions based on the panel's reading of the Government Plan 2023 to 2026 as well, which was published recently and which we are currently reviewing. I would like to draw everyone's attention to the following: this hearing will be filmed and streamed live, the recording and transcript will be published afterwards on the States Assembly's website. All electronic devices, including mobile phones should be switched to silent. I would ask any members

of the public who have joined us in the room today - thank you for coming - do not interfere in the proceedings and as soon as the hearing is closed, please leave quietly. For the purpose of the recording and the transcript, I would be grateful if everyone who speaks could ensure that you state your name and role. If we can begin with introductions. I suggest that the panel members introduce ourselves, followed by the ministerial team. I am Deputy Moz Scott, Chair of the Economic and International Affairs Panel.

Deputy R.S Kovacs of St. Saviour:

Deputy Raluca Kovacs, Vice Chair of the Economic and International Affairs Panel.

Deputy M.B. Andrews of St. Helier North:

Hello, I am Deputy Andrews of St. Helier North:

The Minister for Economic Development, Tourism, Sport and Culture:

Deputy Kirsten Morel, Minister for Economic Development, Tourism, Sport and Culture.

Assistant Minister, Economic Development, Tourism, Sport and Culture:

Deputy Lucy Stephenson, Assistant Minister with responsibility for sport.

Chief Economic Adviser:

Tom Holvey, Chief Economic Adviser to the Government of Jersey.

Group Director, Economy:

Dan Houseago, Group Director for Economy, Department for the Economy.

Head, Local Economy:

Keith Harvey, Head of Local Economy.

Deputy M.R. Scott:

Thank you. So I would like to draw your attention to a couple of other things. We have a lot of content to cover so we are generally going to try and aim to give you 2 minutes to respond to questions, Minister and Assistant Minister. We may stop you to ask for detail just to be given in writing if we think it is quite an involved answer or to ... we may stop you to clarify what the question is about. We are going to start with some questions that are going to be raised by Deputy Kovacs.

Deputy R.S. Kovacs:

Thank you. During our review of the mini budget, we asked about the impact of inflation on rental and lease agreements, both for commercial and residential properties. Could the Minister describe

what further work has been done by the Government to evaluate the impact of inflation on Jersey businesses and what specific actions, if any, is intended within this term of government to counter such impact?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not believe there is work ongoing to monitor the commercial rents. I will look to Dan in case there is something somewhere but as I understand there is no work ongoing at the moment to monitor those rents.

Deputy R.S. Kovacs:

Okay, do you see any impact of the inflation on that part?

The Minister for Economic Development, Tourism, Sport and Culture:

At the moment I do not know of that impact at all, no.

Deputy R.S. Kovacs:

But you are going to be looking into it?

The Minister for Economic Development, Tourism, Sport and Culture:

I am happy to look into it.

Deputy R.S. Kovacs:

Perfect, thank you. Does the Minister intend to address the pressing labour shortage particularly in the construction, hospitality care, retail sectors, with its associated effects on inflation and support?

The Minister for Economic Development, Tourism, Sport and Culture:

Would you mind repeating that, sorry?

Deputy R.S. Kovacs:

How are you intending to address the labour shortages in these industries, reporting yourself to the inflation?

Deputy M.R. Scott:

Sorry, can I just say we perhaps need to speak a bit more slowly.

The Minister for Economic Development, Tourism, Sport and Culture:

I am sorry, I do not understand. You asked about labour shortages and then inflation, I apologise, if you could repeat it.

Deputy R.S. Kovacs:

I will repeat it slower, sorry. So how does the Minister intend to address the pressing shortage, particularly in the construction, hospitality, care and retail sectors with its associated effects on inflation and support?

The Minister for Economic Development, Tourism, Sport and Culture:

Okay, thank you. Labour shortages, it is a very interesting position that we are in at the moment. We have ... we know we have just gone through the year and the high season, in the summer, where there were labour shortages. We saw that particularly in retail and hospitality. The economic outlook at the moment is changing quite significantly as we know and that is likely to impact Jersey. So currently we are in a state of flux in trying to understand exactly how the labour market is going to react going forward, particularly if there is a depressed economy. That said, we are working still with regard to building agreements. We have the Antigua and Barbuda agreement, we are looking beyond places like Antigua and Barbuda, trying to reach out to economies that may well have workers who would be interested in coming to Jersey. A lot of the time we have been looking at places like the Caribbean. I am also someone who speaks up for those places which are nearer to home because I believe it is easier to find people when they are nearer to home. So places like Ireland as well. Just last week I was talking to a Minister from Ireland about the possibility of trying to see whether there are opportunities with hospitality colleges in Ireland and also just advertising for people in Ireland to come to Jersey to work. They are part of the common travel area, they do not need work permits in the same way that other areas need work permits.

Deputy M.R. Scott:

Minister, could I just ask you to clarify something? When you say "we are looking into ..." could you just be a bit more specific, who?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, our department.

Deputy M.R. Scott:

Then when you say ...

The Minister for Economic Development, Tourism, Sport and Culture:

With External Relations, because they are necessary in this equation.

Deputy M.R. Scott:

In terms of envisaging how this work translates into bringing more people into the Island to serve these industries, how does that work exactly?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, the best one to look at is Antigua and Barbuda. There we have signed an M.O.U. (Memorandum of Understanding) with the Government of Antigua and Barbuda, which enables them to send students from their hospitality colleges to Jersey. It also enables us to send students from here, at Highlands, to Antigua and Barbuda to gain experience. So it is a bilateral 2-way agreement.

Deputy M.R. Scott:

By enabling, you mean it relaxes visa requirements?

The Minister for Economic Development, Tourism, Sport and Culture:

No, we cannot relax visa requirements.

Deputy M.R. Scott:

So how does it enable? When you say “enables them to ...”?

The Minister for Economic Development, Tourism, Sport and Culture:

It gives a commitment on their part and our part to engage in this exchange activity, that is what it does, it enables it from creating a commitment.

Deputy M.R. Scott:

So what difference does it make?

Group Director, Economy:

If I may, Minister? Effectively high quality hospitality workers come from Antigua and Barbuda to Jersey in their low season. Many of them are using this as an opportunity to get some cultural development in another jurisdiction but also to supplement their incomes at a time when their season is not at peak. It is quite a virtuous arrangement that allows us during our peak season to get additional staff into hospitality, in particular. It is an M.O.U., which, as the Minister said, is important to frame what the relative roles and responsibilities of each jurisdiction are and we using it as a model to build on increasing the number of people that might be able to come and work in our hospitality, retail sectors going forward. It is the end of year 1, we are working with the High Commissioner closely to troubleshoot year 1, which will help us build in the subsequent 3 years of the 3 year M.O.U.

Deputy M.R. Scott:

I understand it is an element of advertising, saying to people in these jurisdictions ...

The Minister for Economic Development, Tourism, Sport and Culture:

You are asking as to whether it makes any impact on the visa requirements, et cetera. It does not. It does not change visa requirements.

Deputy M.R. Scott:

No, sorry, Minister, you did explain that you do not need to make any change to visas ...

The Minister for Economic Development, Tourism, Sport and Culture:

I think it gives comfort to the United Kingdom that those people are moving to Jersey under the terms of that M.O.U. and so therefore makes it easier for them to provide that visa.

Deputy M.R. Scott:

Right, okay, but in terms of how it actually initiates numbers, as I understand it there is an element of advertising, of inviting people ... I am just trying to understand what exactly happens within the jurisdiction to initiate the exchange. Is it a communication with students, with particular ... it is basically within the jurisdiction there is communication saying: "Can you please go to Jersey" in the case of Barbuda?

The Minister for Economic Development, Tourism, Sport and Culture:

Just quickly, there is communication with students but it is with particular colleges. So we are engaging with particular colleges to enable them to send people to Jersey.

Head, Local Economy:

Yes, I can step in here. The Antigua Hospitality Association have created a portal where Jersey employers can post vacancies and then within Antigua people who are interested in the roles available in Jersey go on to that portal, understand the role profiles and what opportunities exist in Jersey, and make an application through that portal. So it is a completely joined up approach and, as well as hospitality students, it offers work as Dan said, for people who are very experienced in hotels and hospitality. That sector is a very mature sector in Antigua and Baroda and so it attracts good quality workers who in the low season want to travel abroad, get cultural experience and grow their profession.

Deputy M.R. Scott:

Thank you. Deputy Kovacs.

Deputy R.S. Kovacs:

Yes, one other related question. Have you looked into how this can also be addressed locally and utilise skills that are on the Island already, like for example in extending or having a bit more flexible working licences for people under 5 years, which could be utilised?

The Minister for Economic Development, Tourism, Sport and Culture:

That is work which we are undertaking ... in terms of work permits for people who are already here and they are perhaps on a 9-month work permit, we are looking at the potential to have longer work permits, 18 months or 2 years. That is work which is ongoing with the Minister for Home Affairs because ultimately that is where they are policed and how they are regulated. As far as people who are here outside of that framework, that is where ... I do not know that we are particularly pushing in that area because as you will have seen from today's labour market report, we are at full employment. There is effectively no level of unemployment in Jersey which would enable us to fill the vacancies. We saw a big rise in hospitality workers, a significant rise in hospitality workers, in Jersey over the past year. So, yes, I would love to think that the pool of people is here in Jersey but when you speak to employers, they are not finding any people in Jersey.

Deputy M.R. Scott:

We have quite a large number of retired or semi-retired people in the community, to what extent do you believe there could be some leeway for improving or attracting people of that category into hospitality?

The Minister for Economic Development, Tourism, Sport and Culture:

I think that is a really important part. I think it is really important that we do try and gauge people who are retired or semi-retired but I do remember speaking to you recently where - and quite understandably - I believe you suggested that people in their retirement have their pensions coming in, they are not looking for further work. I remember you suggesting that perhaps that pool of people is not as keen on working as one might think. I do not know, I think anyone who is retired and would like to work, I think it would be helpful to our economy right now.

Deputy M.R. Scott:

I am not quite sure about the reference to the conversation that we have had but we will come back to it. Just in terms of the numbers that you expect to get through the portals that you have described, could you please just quickly give me that? I am aware that I have already busted the 2 minute limit.

Head, Local Economy:

Yes, so in 2022 the Antigua and Barbuda partnership attracted 48 workers to Jersey. The partnership was launched in association with the Jersey Hospitality Association, it did not have a lot of lead time and so on the basis of a very short lead time I feel 48 was quite an effective number.

This year what we are looking at, and Dan has alluded to it already ... this was a 90 plus per cent successful partnership. We have been finetuning with the High Commissioner what of the last 10 per cent we could improve and we feel we can attract over 100 people in the year ahead, hopefully.

[10:45]

Deputy R.S. Kovacs:

Thank you for your answers. In September you announced emergency additional funding for the dairy sector. Do you anticipate providing targeted support like that in other areas of agricultural businesses and have you received any representations from businesses to do so?

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, as you will have seen from the Government Plan next year does see a significant increase in the amount of funding for the whole agriculture sector. There is £900,000 in the Government Plan itself. There is another 600,000 to make the full total of £1.5 million. On top of the increases that we have seen since 2019 that does mean that we have gone from about £800,000 in 2018 to what would be about £3 million, just over £3 million, next year. We basically trebled the amount of funding in the last 4 or 5 years to the whole agricultural sector. We are still not where we need to be in that. We need to go further and that will be the work that I am doing over this year trying to convince you, the States Assembly, that we need to significantly increase the amount of funding to the whole agricultural sector. For other sectors, at the moment, it is not envisaged. I have not received direct requests for support. I do not envisage any, except possibly for next year we will be continuing to look at the marine sector and the possibility of a marine development fund, which would be more looking at the infrastructure around the marine economy. So it would not be necessarily providing direct support to vessels and their owners, more how do we develop the actual market and the infrastructure around that market.

Deputy M.R. Scott:

The question was in relation to dairy, outside dairy, so we ...

Deputy R.S. Kovacs:

Yes, the Minister responded there was not any other area asking specifically for our support.

Deputy M.R. Scott:

No other area than dairy.

Deputy R.S. Kovacs:

Yes.

The Minister for Economic Development, Tourism, Sport and Culture:

Obviously in the Government Plan it provides funding for all sectors within the agriculture sector.

Deputy M.R. Scott:

No, sorry, I misheard then. Sorry. Thank you.

Deputy R.S. Kovacs:

What evidence has the department been able to gather so far on the recovery of businesses since the pandemic and what analysis by industry sector has been done.

The Minister for Economic Development, Tourism, Sport and Culture:

We see that the entire economy is almost where it was pre-pandemic, which is a significant boost for the Island, and should be. I think what we can see is that the economy fell about 9.6 per cent overall G.V.A. (Gross value added) as a result of the pandemic. Since then it has risen 9.2 per cent. So we are about 0.4 per cent short on where we were pre-pandemic, as an overall economy and G.V.A. figure. That has beaten both F.P.P. (Fiscal Policy Panel) and income forecasting group predictions. We are ahead of what people expect of the ... those expert bodies expected our recovery to be. We are ahead of that, which for me shows ... and the one thing that the pandemic shows overall is the incredible resilience of the Jersey economy. We are ahead, I would suggest, of most other nations and jurisdictions in the speed of our recovery and, to be honest, that is largely down to the fact that we are principally an export economy through financial services and they were able to maintain trading throughout the pandemic and adapted quickly to different ways of working. But overall the fact that we are just 0.4 per cent short of where we were in 2019, I think, says a lot.

Deputy M.R. Scott:

When you say ...

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, just very quickly, says a lot about Jersey's businesses, it says a lot about the effort Jersey business people put into their work and shows the resilience of our economy.

Deputy M.R. Scott:

So when we refer to the evidence, you suggested that we have recovered quicker than many other jurisdictions. Could you please just refer to the evidence on which that is based?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, as I said, we are now 0.4 per cent short of where we were pre-pandemic. I will happily go and get other jurisdictions to show you what ...

Deputy M.R. Scott:

No, it would just be useful to see what you are using by way of the comparative if you could, please, that would be useful. Thank you.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, I said to myself: "I believe that we are running ahead of other jurisdictions" so I will happily find the stats on other jurisdictions.

Deputy M.R. Scott:

Sure, if you would, please. Thank you.

Deputy R.S. Kovacs:

Still related to the impact on businesses, have you collated any data related to debt on these businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

Debt, did you say?

Deputy R.S. Kovacs:

Yes.

The Minister for Economic Development, Tourism, Sport and Culture:

This is interesting. One of my concerns about our monitoring of Jersey's economy is that we do not have a real steer on level of debt, either within households or within the business community. That has always concerned me because it means that different types of economic shock will have different types of impact and we do not know how it will impact in terms of either household or business debt. More anecdotally, we are told that Jersey's levels of debt are much lower, lots of businesses do not take out debt directly with banks, which again makes it hard to monitor because you do not know if they are borrowing privately in order to fund themselves. But the truth is we do not have a good understanding of the levels of debt in the economy.

Deputy M.R. Scott:

Is there any leeway for improving that?

The Minister for Economic Development, Tourism, Sport and Culture:

I would hope so and I think the main place would be through the banks and to ask them to report. These are things that I think should be happening. I think banks should be reporting to us their levels of debt, both commercial and private, to give us that sense. In aggregate, obviously, it is not about individual debts, it is about the aggregate level of debt.

Deputy M.R. Scott:

Will you be pursuing that?

The Minister for Economic Development, Tourism, Sport and Culture:

I would very much like to, yes.

Deputy R.S. Kovacs:

Moving to the Government proposed plan now. I have a series of questions on the Common Strategic Policy. On the common strategic priority statement for economy and skills you stated that the objective is to develop a more sustainable, innovative, outward facing and prosperous economy. With reference to these priorities in the ministerial plan, could you please be more specific about what sustainable looks like, to start with?

The Minister for Economic Development, Tourism, Sport and Culture:

Sustainable, in my mind, is long-lasting. It is an economy that does not use the resources of the Island at such a rate that it depletes the resources of the Island. In this case, the biggest resource we have is space, as in land, and so one of the first things about a sustainable economy is an economy which relies less on individual people to maintain its strength and starts to rely on things like technology to maintain its strength so it becomes less people ... as in you are not relying on people to grow the economy in the same way that we have been. Jersey's economy for the last 20, 30, 40 years has been entirely reliant on more people coming to the Island. That can continue, obviously, that is no problem, but there does become an end point where people begin to feel incredibly crowded on the very small Island. So sustainable is long-lasting, it is everything to do with trying to make it long lasting but the main area there is using the Island's resources less.

Deputy R.S. Kovacs:

Thank you. What is your definition of innovation and who does it apply to?

The Minister for Economic Development, Tourism, Sport and Culture:

Innovation is thinking new. It is coming up with new ideas. It applies to everybody in business, whether they are working as employed or whether they are a business owner. Innovation is thinking up new ideas. Often, nowadays, it is linked with digital technology but it can be anything, it can be

a new business model, it can be a new way of managing waste in your business, it can be new products within your business, but it is thinking differently and it is thinking up new ideas.

Deputy M.R. Scott:

Who does it apply to?

The Minister for Economic Development, Tourism, Sport and Culture:

I said everybody. Everyone can be an innovator ...

Deputy M.R. Scott:

No, that is enough. That is enough, thank you. Sorry, have to move you on.

Deputy R.S. Kovacs:

What is your vision of outward facing?

The Minister for Economic Development, Tourism, Sport and Culture:

Outward facing is we are a tiny Island, Jersey's economy has always been international and if we are to continue to succeed it will have to continue to be international. So outward facing is about building strong relationships with trading partners and neighbours. I know that we have already seen that I am very much focused on nearest neighbours. Rule of thumb when it comes to export and international trade, is those that are nearest to you are easiest to trade with. The further away people are the more barriers there are to trade. Let us start with those who are nearest to us.

Deputy R.S. Kovacs:

Last point on this one. How would you define prosperous and how do you intend to achieve it during this term of government?

The Minister for Economic Development, Tourism, Sport and Culture:

Prosperous takes in more than just financial value. Prosperous is about feeling that you can live a fulfilled life in Jersey. The way I see it, it is a long-term piece of work that I hope will extend long beyond this government. It is about ultimately ... I think the biggest test of it is can young people see a life for themselves in Jersey? I think that is when they can look at this Island and say: "You know what, I can live a prosperous, happy, fulfilled life in Jersey." That is when you know we will attract them.

Deputy M.R. Scott:

Thank you. What lost business analysis has been performed by Jersey Business or the Department of the Economy?

The Minister for Economic Development, Tourism, Sport and Culture:

What business?

Deputy M.R. Scott:

Lost business analysis. To understand the extent to which businesses have ceased, the extent to which we are not attracting business. To what extent is there any sort of activity of that nature going on in the department?

The Minister for Economic Development, Tourism, Sport and Culture:

Business figures come out regularly via the J.F.S.C. (Jersey Financial Services Commission), et cetera. Outside of that we have not done any specific work that I know of. I will look to Dan in case there has been some work but, no, I do not believe there has been because we have not been seeing and have not had reported any particular increase in business failures.

Deputy M.R. Scott:

Okay. Can the Minister inform us what environment analysis has been done to understand the local constraints to economic growth compared to other jurisdictions?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not believe we have undertaken environmental analysis. I think local constraints to economic growth are ... lots of them are self-evident. The biggest one is the lack of space and so the lack of land, which makes it difficult for businesses to have workshops, to have studios, to have storage space. From the perspective of other environmental factors, such as access to water, we do not have a shortage in that area in general. Obviously drought is always something. There are also other areas such as air quality and things like this. The ability to remove your products when they become waste. That is something that is difficult. We know the construction sector has an issue with inert waste and what it can do there, because how inert waste facilities are filling up very fast. There are constraints but I do not believe we have undertaken a specific analysis of that yet.

Deputy M.R. Scott:

Would the Minister accept that environmental also includes things like business culture, government culture and that there could be some value in exploring these matters more?

The Minister for Economic Development, Tourism, Sport and Culture:

I would not say environmental. I think when people talk about environmental, I think they are talking about the physical environment. I do completely accept and agree that things like business culture

are very important. I just would not put them in the environmental bucket, I would put them elsewhere.

Deputy M.R. Scott:

Setting aside the semantics then, would you agree that there is some room for exploration of business culture and government culture in terms of supporting business that might merit some exploration to support growth?

The Minister for Economic Development, Tourism, Sport and Culture:

Business culture, I think, really interesting and worth us exploring. Definitely. Interestingly the business tendency survey came out recently and I believe that does give the sign of the mood of businesses. It is not business culture per se but it does suggest where the mood of businesses is in Jersey.

Deputy M.R. Scott:

Government culture in terms of supporting businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not quite understand what you mean by government culture?

Deputy M.R. Scott:

I mean the ...

The Minister for Economic Development, Tourism, Sport and Culture:

That is very much a political choice so whoever the Government of the day is will choose whether or not to support businesses. It is not about the Government itself having a culture because the Government is led by the Ministers who will decide whether or not they wish to support businesses.

Deputy M.R. Scott:

Sorry, Minister, I probably was not clear, I was meaning more in terms of what you receive or perhaps investigate in terms of the experience of businesses in terms of interacting with government and if there are any kind of issues there?

The Minister for Economic Development, Tourism, Sport and Culture:

I understand. So we are doing a piece of work on that at the moment, which ... and we are in the commissioning stage with Jersey Business to undertake exactly a piece of work to look at not just interaction with government but it will absolutely include interaction with government, but it is about

business processes and trying to understand those processes that businesses find more onerous, with a view to trying to smooth down those processes to make them easier.

Deputy M.R. Scott:

That is great to hear. Just very quickly, what is the piece of work called and when do you expect to be publishing?

The Minister for Economic Development, Tourism, Sport and Culture:

We are literally commissioning it. I signed off just last week the business case for Jersey Business to work on.

Group Director, Economy:

Just briefly, Chair, I would not want there to be an impression that environmental sustainability is not high up on the agenda for the Government. You will note from our vision in the outline economic strategy that it is to be the most environmentally sustainable and digitally enhanced jurisdiction effectively in the world, so we are setting out an ambition that was set in May of this year that we need to now build out. But if you drill down into sector specific stuff and a good example is the agricultural growth that we put in the Government Plan, we are using that growth to drive the provision of goods and services particularly in the context of the environmental improvements in that sector. That is a model that we, I would suggest, would like to consider rolling out to other sectors as well but, of course, we need to understand the art of the possible in that context but it is absolutely an ambition to make sure that the economy is working within environmental limits.

[11:00]

Deputy M.R. Scott:

Thank you. Just in terms of the signing off of the project you spoke about, are you able to give an idea of time within which it would be delivered?

The Minister for Economic Development, Tourism, Sport and Culture:

Basically within the course of the following year.

Deputy M.R. Scott:

Thank you. Do you agree that any increase in public sector wages and property values ... sorry, this is a question, because it is probably not too clear, in the context of what has been published in respect of measuring performance and performance framework in the Common Strategic Policy, do you agree that any increase in public sector wages and property values of unrented property would distort the measurement of the Island's economic output if using G.V.A.? If so, where should the

proposed performance measure in the proposed Common Strategic Policy, that says as a measure increased total G.V.A. per person, exclude these elements to enable growth in economic productivity to be identified clearly?

The Minister for Economic Development, Tourism, Sport and Culture:

It is a very interesting question. It is one that I have thought of myself and I will be passing over to Tom in a second - just to get you prepared for that, Tom. At the end of the day, public sector wages do have an impact on G.V.A., a genuine impact, a real impact on G.V.A. Is it money that is going around within Jersey? Yes, it is. It is not money that is, for instance, that is being used in exporting, et cetera. The rent of private ... I forget exactly what the phrase is but the rent provision in the G.V.A. stats that they talk about is one that I am trying to understand. It is a proxy measure, as I understand it. It is there because international statistical standards say that that is the best way to measure that element of G.V.A. I think it has a genuine reason to be in there. Whether it helps us measure productivity in the Island, I do not know, but a government should be productive as well so to rip them out may not be the best thing to do but to understand what you are looking at ...and this is the thing with statistics, you must understand what you are looking at in order to be able to learn from them. If you do not understand them fully then it can be easy to overlook these things. You have something of a point because it is a question that has been going through my mind but I would have to defer and will pass over to Tom for the full explanation of why they are in it.

Deputy M.R. Scott:

We will probably explore that separately, if you do not mind, Tom. I will probably send you a written question.

Chief Economic Adviser:

No problem at all.

Deputy M.R. Scott:

Sorry, not that we do not want to hear your voice. By the way, I am understanding that we have some technical issues which we currently are trying to sort out, so my apologies to anybody who is not able to listen at the moment. Does the Minister accept the management principle that there can be no management without measurement and does the Minister regard current published performance measures and the lack of published economic performance targets as adequate to ensure effective management of economic development?

The Minister for Economic Development, Tourism, Sport and Culture:

I think as a whole the Government has a real issue with management information. I do not think it is anything that anybody hides from. It is one of the most consistent calls we have in the area of the

economy, the environment, wherever you are looking, health services, there is a lack of data and so it does make it very difficult to manage. So it does make it difficult to manage the economy. That is why you will see in the Government Plan we have put in modest growth requests to help Tom and his team gain the expertise and have the ability to get those measures of our economy. May I ask Tom just to fill out what the plans are in the Department for the Economy briefly to help us do that?

Chief Economic Adviser:

I would just say one thing because I think economic performance is very difficult, it is the most difficult area to measure actually because you have the macro performance of the economy as a whole which is very dependent on outside influences like the U.K. (United Kingdom) economy, the global economy. So we could be doing a fantastic job in economic development in growing the economy or making the economy perform in Jersey as well as it can but it could, with outside influence, just be standing still for instance. It is very difficult to distinguish between that management information and the economic performance. What we need to make sure of is that management information measures what we do as a department, such as how many businesses we interact with, what some of the results might be from that but we, the economic analysts, have a role to measure that economic performance on what we expect it to be performing like and that is where the F.P.P. can come in as well. So I do think we need to distinguish between that management information and economic performance information but try to make sure they are as linked as possible so that what we are doing influences the economy and tries to grow the economy.

Deputy M.R. Scott:

Bearing in mind these distinctions that you need to make, and I can appreciate how it must be relatively complex, do you envisage being able to formulate a target in terms of economic growth?

Chief Economic Adviser:

Targets in economic growth are always difficult most economies would try not to go down that way unless having very rough targets, 2 per cent growth is seen as exceptional in an economy such as ours. We do use the F.P.P. to suggest where they expect the economy to go given a steady state of nothing particularly changing in terms of policy over the next 5 years. Obviously they released a medium-term plan in summer and are just about to do their annual report as well. I think a really interesting one is what the Minister said earlier, is what they said about what they expected to happen in COVID and a sharper fallback but the economy held up quite well. That would suggest a better performance than might be expected, for instance.

Deputy M.R. Scott:

You said that 2 per cent economic growth would be regarded as exceptional in an economy such as ours. Could you briefly explain what an economy such as ours is in that context?

Chief Economic Adviser:

I refer you to the last F.P.P. report if that is helpful as well because it does talk about it ...

Deputy M.R. Scott:

A quick summary.

Deputy R.S. Kovacs:

Can I interrupt just a second to try not to use acronyms because members of the public might not understand.

Chief Economic Adviser:

Sorry, the Fiscal Policy Panel within the Jersey law are our key economic advisers and they are external to Jersey Government but advise the Government and the States effectively. The Fiscal Policy Panel highlighted this is their last report. We are a relatively wealthy economy and as such it is quite difficult to grow those economies. They had a very nice chart in there that I think is worth looking at, that plots wealth versus actual growth. When you have a high base it is very, very difficult to continue to grow that. So when you see double digit growth like China has seen in recent years, it is because they are coming from a very low base. It is a lot easier to grow an economy from that perspective and productivity as a matter of interest as well.

Deputy M.R. Scott:

Very briefly, when you say we are relatively wealthy economy, could you just explain what you mean by that? You mean by way of just the reserves or other matters ...

Chief Economic Adviser:

Sorry, again, generally it would be measured by G.V.A. per capita. So gross value added or the size of the national economy per person on the Island.

Deputy M.R. Scott:

With G.V.A. including things like this notional property increase?

Chief Economic Adviser:

G.V.A. would include everything, including the public sector. The public sector ... sorry, there is a different question you wanted me to write back to you. The public sector has a very important role to play in the economy, particularly in terms of downturn, if you believe change in economics for instance of trying to ensure that is smoothed out.

Deputy M.R. Scott:

Thank you. Basically, you are talking about G.V.A. in terms of establishing wealth?

Chief Economic Adviser:

The entire economy by per person basically, yes.

Deputy M.R. Scott:

Right, thank you. I will move on to Deputy Andrews who has been quietly waiting.

Deputy M.B. Andrews:

Thank you, Chair. With Jersey we have obviously seen positive growth rates in terms of G.D.P. (Gross Domestic Product) but they are relatively low. During this time of office what do you think can be done in order to overturn this?

The Minister for Economic Development, Tourism, Sport and Culture:

In order to?

Deputy M.B. Andrews:

In order to change this. We have seen positive growth rates in G.D.P. but what can be done to increase those positive growth rates? To see a higher level of quantitative data.

The Minister for Economic Development, Tourism, Sport and Culture:

We have just had growth of 9 per cent coming out of COVID year on year, which is an incredibly high rate of growth. Indeed, I was just looking in response to Deputy Scott's request for information about where other nations are. Predictions were, for instance, U.K. will be recovering at 6.9 per cent, 4.7 per cent this year and then 2.1 per cent next year. That is the U.K. We are at 9.1 per cent or 9.2 per cent this year so that is incredibly hard. To be honest, I am not looking to push that much higher because then I think you are going to have an overheated economy, which will be incredibly dangerous for the Island but what you do want, as the Chief Economist was saying, is to be targeting growth 1.5 per cent, that sort of area. A steady growth that the Island can cope with. If you had 9 per cent growth year on year on year constantly going forward, going back to the question about a sustainable economy, I do not think we would be in a position of having a sustainable economy then. That would be an economy which is sucking in lots of people to the Island and so you would then have population issues that the Island would be concerned about.

Deputy M.B. Andrews:

Moving on. In relation to the proposed Common Strategic Policy, it references ways in which the Government intends to transform the rate of progress in relation to the economy and skills. It

includes a performance indicator to increase productivity in real terms. Can you describe how real terms is calculated?

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, I understand how real terms is calculated, in general real terms is about rebasing of things so that in today's figures you are getting a comparison with the past, which works. But you were talking into the table and I could not hear most of the question.

Deputy M.B. Andrews:

Okay, sorry, I will just repeat the question. The proposed Common Strategic Policy references ways in which government intends to transform the rate of progress in relation to the economy and skills and includes a performance indicator to increase productivity in real terms. Please describe how real terms will be calculated.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, I would have to look to Tom for exactly how that is calculated but, as I said, real terms is about making sure that the value from the past is rebased to make it equivalent to the value today, so you are talking about the same figures.

Deputy M.R. Scott:

Could I perhaps ask if it is possible for you to just give us that in writing, if this is going to be a lengthy response?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not do the statistics, it is that simple.

Deputy M.R. Scott:

Okay, no problem.

Deputy M.B. Andrews:

Also as well, just in terms of when we are measuring productivity within the department, how is it done from a practical perspective?

The Minister for Economic Development, Tourism, Sport and Culture:

Again, measuring productivity is undertaken by statisticians, it is not undertaken by the department directly. The department takes the measures that are taken by Statistics Jersey and I believe you do some of your own calculations but heavily rely on Statistics Jersey as well?

Chief Economic Adviser:

Statistic Jersey produce the productivity statistics, yes.

The Minister for Economic Development, Tourism, Sport and Culture:

They are the people you need if you want to understand those calculations.

Deputy M.B. Andrews:

Okay, thank you. Has the Council of Ministers considered measuring the output of finance and other industries separately to match ministerial portfolios and to report on their areas of respective responsibility more clearly?

The Minister for Economic Development, Tourism, Sport and Culture:

Financial services is measured separately. Sector by sector statistics are found through ... you will see that in all the G.V.A. and other reports, productivity reports, et cetera. We can take it sector by sector. In the local economy we are broken down into sectors. We have tourism and retail, we have marine and agriculture among others and so we are always looking at these on a sector by sector basis.

Deputy M.R. Scott:

I think, Minister ...

Deputy M.B. Andrews:

So this communicated around the Council of Ministers, in terms of a discussion you usually have on a regular basis?

The Minister for Economic Development, Tourism, Sport and Culture:

It is a discussion we have within the department. I could not put hand on heart to say we have done that in Council of Ministers.

Deputy M.R. Scott:

I think, Minister, sorry, it is in the context of the performance measure that is in the Common Strategic Policy, which just seems to refer to a general figure in terms of the common skills and whether that might be split to be a bit clearer?

The Minister for Economic Development, Tourism, Sport and Culture:

It certainly could be split, absolutely, but I believe the constituted policy that is looking at that high level is just trying to get the macro concept of the Island as a whole.

Deputy M.R. Scott:

Will there a time measured target for increasing productivity?

The Minister for Economic Development, Tourism, Sport and Culture:

There is not at the moment, we would have to look into that.

Deputy M.B. Andrews:

In relation to industries, which ones do you anticipate will be the key drivers to increase productivity in real terms moving forward?

The Minister for Economic Development, Tourism, Sport and Culture:

You are asking a politician to pick winners, that is somewhere a politician should never go. I can absolutely say that the financial services sector is key to this. There is absolutely no doubt the financial services sector is one which can benefit enormously from large scale adoption technology to improve its productivity outside of interest rate growth. So the important thing from my perspective is that the economic benefit we will feel from rising interest rates in terms of G.V.A. is great and it will feed more money to Treasury in terms of tax returns but it must not be mistaken for real productivity improvements. So, yes, financial services would be the key one. It is the biggest part of the economy and it is the area which we would be looking at for the greatest productivity.

Deputy M.B. Andrews:

Are there any other sectors in particular where you believe ...

Deputy M.R. Scott:

Within your remit?

The Minister for Economic Development, Tourism, Sport and Culture:

All sectors can increase productivity.

Deputy M.B. Andrews:

... the inducement could be quite strong in terms of the potential that we could see, in tech for instance?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, exactly. My thing is that everywhere is digital and so every industry has to be digital. I am moving away from talking specifically. It does not mean I will not do it but when you say a digital sector I think it becomes less and less easy to talk about that because every sector is digital.

Deputy M.R. Scott:

I think the question related to the key drivers change within your remit. We understand that finance is not quite within your remit. I understand what you are saying about being asked about courses but just, you know, in terms of the way in which you manage your department and where you see the real growth happening, where might that be?

The Minister for Economic Development, Tourism, Sport and Culture:

Tourism is definitely one I hope you can see ... that is one of the most people - what is the word I am looking for? - one of the industries that uses people the most. People-intensive was the phrase I was looking for.

[11:15]

The hospitality and tourism industry is definitely one. Agriculture has made huge gains already in terms of productivity so I would expect therefore that there would be less room for gains to be made in agriculture, though I know the industry itself is constantly seeking to become more productive. Areas like the marine economy, that is at such a low level at the moment that if we were to improve the overall performance of the marine economy sector you would almost certainly be seeing an increase in productivity there as well.

Deputy M.B. Andrews:

To what extent ...

The Minister for Economic Development, Tourism, Sport and Culture:

Do you mind if Dan comes in?

Group Director, Economy:

I was just going to say, we have done some significant strategic development work across sectors of the economy and we can see potential growth in things like data stewardship, we can see potential growth in the creative industries, we could see potential growth in medicinal cannabis, for example, all of which I think have very significant potential with the right strategic base. We are looking at things on a sector specific level, particularly in areas where these industries have been effectively low value. How do we increase G.V.A. in these sectors? I think in all of those we have a significant opportunity, if we can get the right alignment across government.

Deputy M.R. Scott:

I appreciate that within the actual Island there are many people wishing to produce positive results in many ways. I am just wondering, in terms of the extent to which you as a government invest in

areas of potential growth, the extent to which you are thinking: “Okay, we are likely to get more in the way of return in one area rather than another”, have you done that analysis, as it were?

Group Director, Economy:

I will just answer before the Minister. It is not necessarily about investment. The medicinal cannabis area is a good example. It is often about creating the conditions for businesses to be successful and to create the investment framework that means that private sector funding is available rather than necessarily coming straight back to the public sector. That has driven significant private investment as an approach. In some areas, like agriculture, we will make significant direct public cash investment because we need to maintain a level playing field with the E.U. (European Union) and the U.K. In other areas, in my humble opinion, it is equally valid to understand through engagement with these businesses to say what conditions does the Government need to put in place, either through legislative change or regulatory regimes to allow you to operate in the way that you want to and invest your own money into building the economy.

Deputy M.R. Scott:

We will come back to that because I think we have another question in that respect anyway, where we are talking about investment in terms of time resource in the department itself and also in terms of things like subsidies. Sorry, Minister, you were going to say something?

The Minister for Economic Development, Tourism, Sport and Culture:

We are looking at it slightly differently in terms of with all ... Jersey has the basic set of economic sectors, business sectors that we work with so at the moment the department I inherited, as I said, has a marine and rural economy sector leads, it has tourism and retail sectors leads and we not for instance have a construction sector lead. We obviously have cultural, arts and sport as sector leads. Those are the areas that it is most easy for us to work with at the moment. We have been developing strategies for all of these in terms of investment and time and resource. Those strategies, all of them, have a productivity focus. It is not about saying we are going to only look at agriculture because we reckon there is more productivity there.

Deputy M.R. Scott:

No, of course not.

The Minister for Economic Development, Tourism, Sport and Culture:

It is about saying how can all of these sectors increase their productivity and productivity is the watch word of department at the moment.

Deputy M.B. Andrews:

To what extent do you envisage inward investment driving change compared to domestic investment within the term of government?

The Minister for Economic Development, Tourism, Sport and Culture:

I am very keen on Jersey having a co-ordinated approach to inward investment that seeks genuine inward investment in terms of external money being brought into the Island. I do not believe that is an approach previous governments have had.

Deputy M.B. Andrews:

Do you believe there is currently a shortfall of domestic investment in some areas?

The Minister for Economic Development, Tourism, Sport and Culture:

As I said, we are completely unsighted on how much domestic investment there is and these are the sorts of figures ... if you were to pick any O.E.C.D. (Organisation for Economic Co-operation and Development) country and say: "How much domestic investment is there in France?" you can probably find that stat relatively easily, Jersey is not there. These are holes in our knowledge that we are trying to fill.

Deputy M.B. Andrews:

If we are looking at, say, a data series, when we are looking at quantitative data, maybe there is a lack of quantitative data to actually inform you in respect of investment across the economy?

The Minister for Economic Development, Tourism, Sport and Culture:

Absolutely, yes, definitely. Across government there is a lack of quantitative data full stop.

Deputy M.B. Andrews:

Yes. Also, Deputy, to what extent and how will you be looking outward to ensure it can be attracted towards the sectors you anticipate will drive the economic growth?

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, I do not understand?

Deputy M.B. Andrews:

To what extent and how will you be looking outward to ensure we can be essentially attracting investors to make an investment in particular sectors to stimulate economic growth?

The Minister for Economic Development, Tourism, Sport and Culture:

It is difficult to quantify in terms of how much we would be doing it. It is absolutely a driving mantra of mine, inward investment going out - as I said earlier, Jersey is an international Island - speaking to partners overseas who may well be interested. We are already speaking to some, but I think we do need a targeted approach here as well, so what areas of the economy could do with external investment, tourism is a key area for instance. Some hotel investment would be very good.

Deputy M.R. Scott:

So, are you thinking of any particular jurisdictions that you are going to be targeting?

The Minister for Economic Development, Tourism, Sport and Culture:

No, I will take money from most jurisdictions.

Deputy M.R. Scott:

I am just envisaging you getting on a plane and going to a government and saying: "Hey ..." I just wondered whether you and the Minister for External Relations and Financial Services think a particular ...

The Minister for Economic Development, Tourism, Sport and Culture:

Going back to what I said earlier, I believe it is worth starting with your near neighbours and so that means the U.K., France, particularly Northern France, it does also mean Ireland but spreading further afield. The beauty of Jersey's financial services sector is it does mean we have operations in many nations around the world.

Deputy M.R. Scott:

Thank you.

The Minister for Economic Development, Tourism, Sport and Culture:

But I also think start nearer to home.

Deputy M.B. Andrews:

In the ministerial plan it is stated that one of the ways in which you aim to improve productivity is by including productivity standards as a condition for inward investment. Please could you explain what is meant by this?

The Minister for Economic Development, Tourism, Sport and Culture:

This is what I mean when I referred to previous governments. From my view so far and what I have seen in terms of investment, a lot has gone not so much on businesses coming here and saying: "We are going to invest £5 million in this hotel" or in this retail store or whatever it may be. A lot of

inward investment has come from individuals coming to Jersey and bringing particular expertise to the Island. What I believe is, regardless of whether it is individuals or regardless of whether it is companies, any business that wants to come to Jersey should already exceed the average productivity for that sector before they are allowed in. If a hotel was to come to Jersey which had a lower level of productivity than existing hotels in Jersey, then all you have done is reduce productivity in that sector by bringing them in. I think one of the criteria for investment in Jersey, and particularly for physically bringing your business to Jersey, should be that you significantly exceed the average productivity for that sector.

Deputy M.B. Andrews:

So probably looking at specialisation in terms of ...

The Minister for Economic Development, Tourism, Sport and Culture:

Could well be, absolutely. It could be but I just take the hotel one. We have seen Premier Inn invest in Jersey, Premier Inn's business model is more productive than many other existing business models, therefore I see them as worthwhile bringing to Jersey because they will immediately help improve productivity in that sector.

Deputy M.R. Scott:

Minister, could I just expand on that? Say you have a specific example of a tech founder who is quite young who has not made a lot of money yet but knocks on the door of the Island and is backed by a serious venture capitalist somewhere like Silicon Valley or something, so they cannot immediately demonstrate that they have contributed much to productivity but in terms of knowledge, skills and potential that is what they are offering and some backing from ... would you be excluding that or would you adapt that to say you would welcome that ...

The Minister for Economic Development, Tourism, Sport and Culture:

I think it needs adaptation. It is a really interesting area, and it is difficult because, again, you are then in the world of picking winners. We know that for every start up that succeeds there are 10 that fail. Is that a ratio in terms of inward investment that you want coming into Jersey, lots of start ups which fail or would you prefer to back the existing Islanders and their ability to start up ...

Deputy M.R. Scott:

They would be a lower percentage potentially.

The Minister for Economic Development, Tourism, Sport and Culture:

What I am saying is for inward investment maybe you should be focused on more established businesses, whereas as far as innovation is concerned look within the Island as well.

Deputy M.R. Scott:

What is your position about the person who comes ...

The Minister for Economic Development, Tourism, Sport and Culture:

I think it is difficult. I am not against it, but I think it does need adaptation because, you are absolutely right, if a start up has not turned a profit it is not being very productive.

Deputy M.R. Scott:

In light of what you said about percentages, does that mean in a sense considering a policy where you do accept that some people may well have potential and perhaps will not immediately succeed but have the potential to produce ideas so that they might be welcomed?

The Minister for Economic Development, Tourism, Sport and Culture:

It is possible but I think it is a very difficult place for government to go because you are potentially opening up your doors to 90 per cent of people who fail and do not add to the economy of Jersey. In order to find that 10 per cent of people who succeed and create a \$10 million business ... I think it is a really difficult place for Jersey to go. I do not think at the moment our inward investment criteria are set in a way which really allows that. Whether we should look to that, I think it is worth exploring. I definitely think it is worth exploring.

Deputy M.R. Scott:

We will probably explore that also in terms of the context of the tech fund generally. Okay, sorry, Max.

Deputy M.B. Andrews:

In relation to economic indicators, what particular economic indicators will be used to assess the economic performance within the department?

Deputy M.R. Scott:

I understand we are talking in addition to G.V.A.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes. Productivity is going to be one of the key ones. I would also like to try to work out an indicator which speaks to sustainability. Increased business figures, I think, is one but ultimately it has to come down to those G.V.A. and productivity stats. I do not know, Tom, if there are any particular other measures we use?

Chief Economic Adviser:

I would completely agree. Jobs is obviously a driver, and quality of jobs I would say. Rather than increasing the numbers actually increasing the depth of understanding is just as important, so G.V.A. productivity by sector, jobs by sector, et cetera. It is not just broadening the numbers out; it is trying to deepen our understanding of what is going on within each sector is probably more important.

Deputy M.R. Scott:

Quality of jobs, sorry, how is that assessed?

Chief Economic Adviser:

We would normally do quality of jobs by salary. Hours worked, more or less. That is a bit of an unfair term in many respects. High salary does not necessarily mean high qualities of lots of other impacts on that, but it is just making sure that people have access to those opportunities and those good jobs.

Deputy M.R. Scott:

Thank you.

Deputy M.B. Andrews:

In relation to economic modelling, do you think there will be any changes within the department this term, in terms of the data that is collected?

The Minister for Economic Development, Tourism, Sport and Culture:

I hope so. I hope we get a lot more data that is collected at the end of it. Again, I have to look to the people who work with the stats to tell me what they are doing to improve that.

Chief Economic Adviser:

We work very closely with Stats Jersey, and they do do a very good job. It is very difficult to collect data on a small jurisdiction because even if you collect data, it gets down to such a low level that it becomes slightly meaningless as well. What we need to do is get better at working with the data, using data in different ways and being innovative ourselves so that we can understand what the data means and use better analysis to use different datasets together to give us a story as opposed to just relying on ...

Deputy M.B. Andrews:

What forms of data, for instance, are currently missing? It has been identified that potentially now we can be building a trend if we do have that data made available moving forward.

The Minister for Economic Development, Tourism, Sport and Culture:

As I have said, there is a lot of data missing about the capital flows within the Island, how that helps support businesses in Jersey. We have almost no data about that. Data which helps us understand more the resilience of businesses, their exposures, going back to Deputy Kovacs' earlier questions, their exposure to rents and the impact of rents. We do not have a great deal of information on that so there is lots of quantitative data like that that we need to ...

Deputy M.R. Scott:

Minister, you mentioned hope, so perhaps you could just expand on that just ...

The Minister for Economic Development, Tourism, Sport and Culture:

I mentioned what, sorry?

Deputy M.R. Scott:

You mentioned that you hope to get better data, so could you perhaps expand on whether you think that is a reasonable hope in terms of what you see around extra investment that is proposed in the Government Plan and your conversations ...

The Minister for Economic Development, Tourism, Sport and Culture:

It is a reasonable hope overall. Even over 4 years I doubt you will get all those holes filled. The Government of Jersey is starting from such a low base in terms of actual available data.

Deputy M.R. Scott:

Do you have some sort of progress plan targets in terms of ...

The Minister for Economic Development, Tourism, Sport and Culture:

I do not personally, I would have to again look to the Chief Economist and Stats Jersey to see if they have those.

Deputy M.R. Scott:

Perhaps we will ask you that in writing again, if we could, please. Thank you.

[11:30]

Deputy M.B. Andrews:

Also as well, does the Council of Ministers have a skills strategy to align government investment with skills gaps across the economy that are likely to require inward migration?

The Minister for Economic Development, Tourism, Sport and Culture:

That is something we are building at the moment. We are doing it through something called skills barometer in these early stages, but we are working ... and I believe we are going to be teaming up with institutions in Belfast University that has already done that work for Northern Ireland. It is entirely about taking in the data, mapping where there are likely to be skill shortages going forward. That work is in its early stages but ...

Deputy M.B. Andrews:

Empirically how successful was it in terms of what you have observed so far?

The Minister for Economic Development, Tourism, Sport and Culture:

In Northern Ireland?

Deputy M.B. Andrews:

Yes.

The Minister for Economic Development, Tourism, Sport and Culture:

I believe it has been very successful. That is my understanding of it. It is interesting, we have had different approaches from different types of organisations about this. Some of them have had high price tags around the software that will crunch numbers, et cetera, I think we are doing absolutely the one that provides the best value for money and in this case, it is in conjunction with an academic institution, which is helpful.

Deputy M.R. Scott:

When can we see it?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not know because it is not under my control.

Deputy M.R. Scott:

Whose control?

The Minister for Economic Development, Tourism, Sport and Culture:

I believe it is happening out of the Office of the Chief Executive.

Deputy M.R. Scott:

Okay, thank you.

The Minister for Economic Development, Tourism, Sport and Culture:

I might be wrong.

Group Director, Economy:

I think it is being driven by S.P.P.P. (Strategic Policy, Performance and Population).

The Minister for Economic Development, Tourism, Sport and Culture:

S.P.P.P., so the Cabinet Office.

Deputy M.R. Scott:

S.P.P.P., okay. Sorry, that is Strategic Policy, Performance and Population.

The Minister for Economic Development, Tourism, Sport and Culture:

Or the Cabinet Office, I think, now.

Deputy M.R. Scott:

Yes, it is a department. Yes. Sorry, have you ...

Deputy M.B. Andrews:

Okay. How will the need for relatively unskilled labour be accommodated in the Minister's plan for economic growth and the Council of Ministers' population inward ...

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, Deputy, I cannot hear you. I am really sorry.

Deputy M.B. Andrews:

How will the need for relatively unskilled labour be accommodated in the Minister's plan for economic growth and the Council of Ministers' Population and Inward Migration Policy, taking into account all areas of industry, including finance?

The Minister for Economic Development, Tourism, Sport and Culture:

Relatively unskilled. I think it is an interesting term that you use in itself. One of the complaints we have heard about the work permit system that we have in Jersey is it talks about unskilled workers. There are almost no unskilled workers in this world. But I think you have to accept there are parts of the economy where there are jobs which perhaps have a smaller range of skills involved in dealing with them, but they are really important jobs to the Island where technology can help.

Deputy M.R. Scott:

I just would like to clarify because I think when you say “relatively unskilled”, we are again referring to the level 4 skills objective that is mentioned in the performance framework bit of the Common Strategic Policy. So it is saying that you want to increase the number of people who have level 4 skills, so I believe that is what was meant by that.

The Minister for Economic Development, Tourism, Sport and Culture:

I understand. I was thinking of it in terms of work permits and the unskilled work permits that we have.

Deputy M.R. Scott:

Yes. I think the question has been answered.

Deputy M.B. Andrews:

Yes, that is fine.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, as far as I am concerned upskilling is a constant ongoing task. I know Deputy Andrews’s interest in skills, I am incredibly interested in skills. Overall we need to get people into a culture of wanting to improve and constantly improve their skills through their lifetime.

Group Director, Economy:

Minister, if I might just add a little bit of clarity. So, yes, I think you are referring to the lead indicator for this skilled mission within the Outline Economic Strategy where you are quite right, tertiary-level education as a percentage of population 2 plus 4 is exactly where the ambition is.

Deputy M.R. Scott:

Yes, I think that is it, it is the extent to which you are ... it is the mix, really. Are you able to provide any more detail about the skills barometer which you ...

The Minister for Economic Development, Tourism, Sport and Culture:

No.

Deputy M.R. Scott:

No, that is fine. You mentioned that the Office of the Chief Executive is kind of ...

The Minister for Economic Development, Tourism, Sport and Culture:

Well, we said the Cabinet Office.

Deputy M.R. Scott:

The Cabinet Office will be kind of developing this. Is there some sort of timeframe within which you are hoping to see this?

The Minister for Economic Development, Tourism, Sport and Culture:

You would have to ask them.

Deputy M.R. Scott:

Okay, we will ask them.

The Minister for Economic Development, Tourism, Sport and Culture:

Please do.

Deputy M.R. Scott:

Thank you very much. Do you have a breakdown of planned investment in skills relevant to the increase of productivity?

The Minister for Economic Development, Tourism, Sport and Culture:

At the moment, no, we do not.

Deputy M.R. Scott:

So basically in terms of getting a picture in terms of return on investment, the extra money that you are putting into skills and what extra kind of contribution to productivity and its measure ... have you got some sort of picture of what you are hoping to see in terms of that contribution?

The Minister for Economic Development, Tourism, Sport and Culture:

At the moment, no. This is a combined piece of work which sits with the C.Y.P.E.S. (Children, Young People, Education and Skills) portfolio. We are working with Skills Jersey and the Minister for Children and Education to develop that further, but you would have to ask them as to whether they are going to include those sorts of measures. We can ask them to include such measures but at the moment we are in very early days as far as that is concerned.

Deputy M.R. Scott:

Right. So you could ask them to include something?

The Minister for Economic Development, Tourism, Sport and Culture:

Absolutely, I can, as can you.

Deputy M.R. Scott:

Would you have the intention of doing that?

The Minister for Economic Development, Tourism, Sport and Culture:

I am happy to.

Deputy M.R. Scott:

Thank you. With respect to the service analysis figures in the annex to the Government Plan relating to future economy, please could you provide detail on how the £995,000 allocated for 2023 will be spent, and why that figure reduces to £495,000 in 2024, 2025 and 2026?

The Minister for Economic Development, Tourism, Sport and Culture:

At the moment, no, I cannot but Dan may be able to help.

Group Director, Economy:

Can you repeat the question?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not have the annex in front of me.

Deputy M.R. Scott:

If you want to respond in writing by all means, but basically with respect to the service analysis figures in the annex to the Government Plan relating to future economy, detail on how the £995,000 allocated for 2023 will be spent, and why that figure reduces to £495,000 in 2024, 2025 and 2026. So, by all means, come back to me, we are trying cover a lot anyway.

The Minister for Economic Development, Tourism, Sport and Culture:

I will have to.

Group Director, Economy:

I think just a preliminary answer is, the Future Economy Programme effectively has 2 parts to it. There is effectively a Driving the Future Economy Programme and Economic Framework piece, which is a recurring £500,000 a year, with the final year being next year but with an ongoing commitment to productivity investment. The year after next we stop funding the Future Economy Programme but we do continue to fund the Productivity Support Programme, but we will give you a follow-up with a formal written answer.

Deputy M.R. Scott:

So under the heading of Future Economy?

Group Director, Economy:

In the Government Plan, you are correct.

Deputy M.R. Scott:

Right. What might we deduce in terms of the commitment towards developing future economy streams?

Group Director, Economy:

I think the Future Economy Programme, which includes the development of an economic framework, has been ongoing since 2020, so developing a programme and a delivery plan and an economic strategy is a finite proposition. I think what we are saying in the context of the Government Plan is that productivity requires some more sustained investment going forward.

Deputy M.R. Scott:

Right.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, that is the project which is why it has a tapering and a finish to it. Ongoing investment from there would be a separate line in the budget going forward.

Group Director, Economy:

Exactly.

Deputy M.R. Scott:

When do you expect that to produce a result in something we can ...

Group Director, Economy:

Do you mean the economic framework?

Deputy M.R. Scott:

Yes, the future economy.

Group Director, Economy:

So the Future Economy Programme was tasked with producing an economic framework. The economic framework is effectively 4 things: one is an outline economic strategy which was published in May this year. The next 2 parts are effectively a virtual model of the economy that we can use to

look at different scenarios and the outcomes of different scenarios and different types of investment in the economy going forward, and also a multiple criteria analysis methodology to allow us to understand which policies need to go first to maximise the chances of driving economic growth. The final point of the framework which we will be delivering next year is the delivery plan associated with all that. So, to answer your question, the complete framework will be delivered by the end of next year.

Deputy M.R. Scott:

So, in that respect, what action do you feel has been taken to respond to the recommendations of the Economic Council for government to produce an inspiring and clear vision for Jersey's economic development with a 20-year-plus horizon?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, in my view, the work is partly there; that is the outline economic framework which was published in May is the first stage in that. Our job now is to fill it out over the course of the year to perhaps make it more inspiring.

Deputy M.R. Scott:

Right. Do you feel that is an inspiring and clear vision?

The Minister for Economic Development, Tourism, Sport and Culture:

I believe it is a clear vision.

Deputy M.R. Scott:

Okay.

Group Director, Economy:

Chair, it might just be worth mentioning the change in approach that that represented. So historically we have been measuring economic success in pure G.V.A. terms, and what the Outline Economic Strategy has done is to suggest that we need to be measuring economic performance in a much broader way. This was something that came through very clearly from stakeholder meetings with business representatives going forward. I think G.V.A. is not always an easy concept to understand unless you are an economist, so we have democratised our economic strategy to allow people to access it in a different way. Where we are talking about a resilient economy, an innovative economy, a skilled economy, a fair economy and an international economy, these are all measures of economic success that people can get to grips with.

Deputy M.R. Scott:

Thank you. With reference to the Government Plan, how is the Enterprise Strategy referenced in the C.S.P. (Common Strategic Policy) to be funded, please?

The Minister for Economic Development, Tourism, Sport and Culture:

At the moment from department budgets.

Deputy M.R. Scott:

Can you briefly explain how this strategy will be developed and what the cross-over will be with the awaited retail and tourism strategies, along with the Productivity Support Scheme, Export and Inward Investment Strategy, Enhanced Competition Framework and Ports Policy Group?

The Minister for Economic Development, Tourism, Sport and Culture:

Enterprise Strategy is about trying to encourage young people. Not just young people, sorry, it is the wrong word to use, Islanders, it does not matter whether they are young or old but they tend to be young. But to try to re-find that belief that I grew up with in Jersey that anyone can start a business in Jersey and anyone can succeed in Jersey. I believe to some extent that has been lost and that is a piece of work that we have not started yet that I want to start to try to help people in Jersey realise that they can do this, they can stand on their own 2 feet, they can start their own businesses. It is through tapping into that enterprise spirit that I think Jersey's innovative future will form part of.

Deputy M.R. Scott:

So it is sort of like promotion in terms of the work that Jersey business does or at least it is kind of an adjunct to that?

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, it is an adjunct to. It is about giving people the tools, helping them have the tools they need to understand what it is to set up a business. Setting up a business is really a kind of mysterious thing if you have never done it before. It is a hard thing for some people to envisage themselves doing. It involves confidence, it involves a sense of resilience. You need to know potentially where to access capital, you need to know how to navigate through the J.F.S.C. (Jersey Financial Services Commission). There are a whole range of tools out there which people do not necessarily have and that is what I want to help give them.

Deputy M.R. Scott:

So, to be clear, Jersey Business already provides that information and advice, I understand. So in terms of the Enterprise Strategy, what does it do that Jersey Business does not ...

The Minister for Economic Development, Tourism, Sport and Culture:

It will build the framework to help us create a more enterprising Island. That is not necessarily what Jersey Business does. Jersey Business does provide some of the tools that I have mentioned. Some people do not even know Jersey Business exists. We will be looking at how can we try to develop that sense of enterprise through the Island's population. It is much more long-term thinking than just what Jersey Business does today.

Deputy M.R. Scott:

If I try and feed that back to you, it sounds like something to inspire people to set up their own businesses as ...

The Minister for Economic Development, Tourism, Sport and Culture:

While also understanding what the barriers are in Jersey to setting up businesses, what is it that makes it difficult to start a business today? Commercial rents would be one of them.

Deputy M.R. Scott:

Well would that not put them off starting off a business?

The Minister for Economic Development, Tourism, Sport and Culture:

No, we need to understand as a government what the barriers are in order for us to then help people overcome those barriers.

Deputy M.R. Scott:

Right. So you do not have that information from Jersey Business or it is some ...

The Minister for Economic Development, Tourism, Sport and Culture:

No, I think it is a piece of work that ... I do not think government has that information necessarily, no. Part of the ease of doing business work we are doing with Jersey Business was to help give us some of that information. That will feed into this, but people in government have not necessarily set up businesses recently. They do not necessarily know how difficult it is or is not.

Deputy M.R. Scott:

So, it is a strategy in response to the ease of business work?

The Minister for Economic Development, Tourism, Sport and Culture:

No.

Deputy M.R. Scott:

Sorry, I am being slow.

The Minister for Economic Development, Tourism, Sport and Culture:

It is a strategy in response to my ministerial ambition to have Jersey as an enterprising Island.

Deputy M.R. Scott:

You have virtually said that its intention ... I am sorry, Minister. Is it to motivate people to set up their own business? Because I am just getting very unclear about the ease of business that ...

The Minister for Economic Development, Tourism, Sport and Culture:

How about we write it first, then we present it to you, and then you can see what it is?

Deputy M.R. Scott:

Because we are being asked as a States Assembly to approve this as part of the Government Plan.

The Minister for Economic Development, Tourism, Sport and Culture:

Fair enough.

Deputy M.R. Scott:

So it is useful to understand quite what it is intending to do and what value it is adding in terms of things like we have Jersey Business already and which we are already funding.

[11:45]

The Minister for Economic Development, Tourism, Sport and Culture:

Jersey Business is not a strategy, Jersey Business is not to look forward; Jersey Business is a provider of a function.

Deputy M.R. Scott:

Is it not evidence of a strategy that already exists, though, in terms of encouraging people to set up businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

No.

Deputy M.R. Scott:

Right. So, in a nutshell, having had this kind of exchange that we had, could you just please repeat what the Enterprise Strategy will do? If I am somebody looking at the Enterprise Strategy, what will it tell me, please?

The Minister for Economic Development, Tourism, Sport and Culture:

It will tell you how Jersey can best lay the land and prepare the tools in our economy to help Jersey become a more enterprising Island so that people can see a way forward into starting up their own businesses and their own enterprises. By that I mean in the wider sense, I am also including social enterprises in that definition as well because that is part of being an enterprising Island. It is not just about making money, it is also about developing social value through social enterprises. So it will be looking at the entire landscape: where is Jersey strong; where is Jersey weak; what can we do to help create a playing field where all Islanders feel that if they so wish, they can start up a business.

Deputy M.R. Scott:

Would it extend to people outside the Island?

The Minister for Economic Development, Tourism, Sport and Culture:

It would extend to those who are looking at Jersey from an inward investment perspective.

Deputy M.R. Scott:

Right. Okay, thank you.

Deputy M.B. Andrews:

Thank you, Chair. So £200,000 has been allocated to digital and cyber in the Department for the Economy's new revenue expenditure growth over each year of this Government Plan, please could you provide more information about what is to be funded from this amount and what impact you expect it to have on economic and departmental productivity and within what period?

The Minister for Economic Development, Tourism, Sport and Culture:

The majority of this is for the C.E.R.T. (Cyber Security Response Team), otherwise known as CERT.JE. They are very much a defensive ... they are looking at Jersey from a, well, resilience perspective in terms of cyber security. There is no question that cyber threats are greater now than they have ever been. Jersey, like every jurisdiction, has to protect itself against these threats. C.E.R.T. has been created recently to help us to do that. Their work needs to be developed and fleshed out. That is what it is.

Deputy M.B. Andrews:

Thank you, Minister. Also, in the service level analysis provided in the annex, can you explain what you mean by digital economy and how are you distinguishing it from local economy?

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, it is a really good question because a large part of me does not distinguish it from local economy. But I think those businesses which are very much looking almost at the way ... their business is kind of digital first, so it is a platform, they are developing a platform from which to make money, and that platform being digital. Whether that platform interacts with the real world such as an Uber-type thing where you are ordering cars as a result of your digital platform or whether it remains within the digital world is neither here nor there, because those businesses are digital first and then the application comes second in that sense.

Deputy M.B. Andrews:

Thank you, Minister.

Group Director, Economy:

Just to say in terms of structure within the digital economy team, we are effectively looking at telecoms, cyber security, but also tech innovation and opportunities around a future digital development policy which I have been talking to the Assistant Minister about going forward. So, we do have effectively a structure that puts focus on those key areas.

Deputy M.R. Scott:

So, have you moved telecoms out of utilities in terms of that?

Group Director, Economy:

So, telecoms policy and the telecom security framework sits within the digital policy team.

Deputy M.R. Scott:

Thank you.

Deputy R.S. Kovacs:

In relation to the rural initiative, please could you explain how the objective to expand the provision of this initiative scheme stated in the ministerial plan is met by the allocated growth expenditure? Also, how the £900,000 allocated for 2023 will be spent and why the figure reduces in 2024, 2025 and 2026?

The Minister for Economic Development, Tourism, Sport and Culture:

So, the Rural Initiative Scheme enables people in the rural economy who are seeking to invest, usually in capital terms, into their businesses, it basically provides a form of ... it is not even match funding, it provides a form of support to their own investments. So the way it works is they provide a minimum amount of investment themselves, government provides the rest through that fund.

Deputy R.S. Kovacs:

Then you think what is allocated is sufficient funding and then the reducing further in the following years?

The Minister for Economic Development, Tourism, Sport and Culture:

Can you repeat the last part, sorry?

Deputy R.S. Kovacs:

So, the £900,000 has been allocated for 2023 for that, and I was curious how it would be spent, but you have explained that part. But also if it is sufficient funding considering that it is reducing quite dramatically in the ...

The Minister for Economic Development, Tourism, Sport and Culture:

I have asked that question. As far as the £900,000 is concerned, I have asked: "Is that sufficient?" and I have been assured that it is by the relevant officers in that area. As far as the reduction is concerned, I am just going to fess up to this, as far as I am concerned, there will be no reduction. I will be chasing an extra £200,000 in 2024, an extra £300,000 in 2025, and an extra £300,000 in 2026.

Deputy M.R. Scott:

Thank you. Is that because you were saying that the reasoning here seems to be that somehow the businesses concerned become a bit more self-sufficient than before and that you are not convinced that that is ...

The Minister for Economic Development, Tourism, Sport and Culture:

No, it is because I believe that there will be a need for the full £900,000. It is not because any individual businesses kind of require it otherwise in the way that it is ...

Deputy M.R. Scott:

Are you saying that the reduction itself seems to be based on the reasoning that it ...

The Minister for Economic Development, Tourism, Sport and Culture:

No, do not look into the reduction for any kind of rationale at all because sometimes books need to be balanced.

Deputy M.R. Scott:

Thank you, Minister.

Deputy R.S. Kovacs:

Has attracting private investment in agriculture been explored in order to reduce the public spending burden?

The Minister for Economic Development, Tourism, Sport and Culture:

It is a really good question. I do not believe we have particularly looked in that area. The moment you said it, it makes me think maybe we should.

Deputy R.S. Kovacs:

Good. We are looking forward to explore more.

Deputy M.R. Scott:

If you did, how would you do that?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not know because I have literally just ... give me time to think that one through.

Deputy R.S. Kovacs:

So how significant will the impact on the initiative of the outline economic framework for the rural environment be on struggling businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

In struggling businesses?

Deputy M.R. Scott:

Or how significant will it be on struggling businesses?

Deputy R.S. Kovacs:

How significant will that be on the struggling businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not understand the question, I am sorry.

Deputy R.S. Kovacs:

The support of this initiative, how much impact do you consider that it will have on the struggling businesses?

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, now I understand. I think it will be significant. For a start, I think previous levels just a couple of years ago were £40,000 for that Rural Initiative Scheme. Agriculture, particularly, is massively capital-intensive, I think we discussed in private briefing when we were discussing things a month or so ago. It is astounding when you walk round the farm and you talk to the farmer about the capital that is invested in that farm, it brings tears to your eyes. We know that productivity is something that the rural economy is constantly chasing, and I believe this will have a really helpful impact on them investing to increase their productivity, investing to reduce their reliance on farm workers.

Group Director, Economy:

Perhaps I could add, Minister, the funding 14 years ago for the Rural Initiative Scheme was about £600,000. As the Minister said, it dropped to £50,000 or £60,000 and has made a small recovery up to £120,000 this year, supported by some additional funding from the Economic Recovery Fund, plus an additional sum, as we have discussed, going forward into the Government Plan. So this is a significant increase. I think the other thing to say is that we have moved into a situation where we are paying for lots of different things now that historically were not accessible to all farming businesses. So we have got a new structure that allows support for those businesses that want to make an environmental contribution through being a member of an accredited assurance scheme, so that is good for consumers. We have got a move to support baseline farming activity, to support production in arable or dairy sectors. We have got a project-based element which allows people to innovate into new types of agriculture or using technology to support their businesses. We have broadened the accessibility of that scheme, so I personally think it will make a significant contribution.

Deputy M.R. Scott:

One thing I noticed in terms of the justification for the funding was that basically our local farmers are competing with, say, Europe where they get subsidies and these sorts of things. Nevertheless, the economies of scale are so different, so in terms of talking about the significance of the impact, to what extent is this really going to make a difference? Or given the fact that you do have these economies of scale, would it be perhaps time to think of a different model in terms of supporting our farmers rather than trying to compete with that ...

Group Director, Economy:

Well perhaps if I can just finish the previous bit.

Deputy M.R. Scott:

I am sorry.

Group Director, Economy:

No, no, no, it is not your fault. It is a change in contract with farmers, so we are moving away from production subsidy to effectively, in my view, the purchase of public goods and services for the benefit of the Island, so it is a different type of relationship that is associated with the money. So I think that makes a real difference because it starts to make us look at agriculture, in my view, in a much more intelligent way in terms of what does it provide? It provides a lot of stuff: it provides an agrarian hinterland to the town, it provides a degree of food security, it creates a good return on that investment when you look at the tax take from that sector. So I think it does a lot of things and I think we are starting to broaden our recognition of exactly what agriculture provides for society in the Island.

The Minister for Economic Development, Tourism, Sport and Culture:

Just quickly, I think in those terms, we are changing the model of support, that is exactly what is happening. Support will be given for metres of hedgerow managed, things like this, the actual, so this is a fundamental change in the way that we can support farming businesses in the Island.

Deputy R.S. Kovacs:

Thank you. Moving now into capital projects like the Opera House, how has the estimate of £11.7 million for the restoration of the Opera House been reached?

The Minister for Economic Development, Tourism, Sport and Culture:

By a number of engineers going through the Opera House with a fine-tooth comb and telling us what needs to be done basically.

Deputy R.S. Kovacs:

How quickly will work begin on the project?

The Minister for Economic Development, Tourism, Sport and Culture:

That is a really good question; it is one that I am asking. We have got to go through planning, so it is dependent on the speed of that planning process.

Deputy R.S. Kovacs:

Have any contingency plans been built in for inflation or for any supply chain issues that may ...

The Minister for Economic Development, Tourism, Sport and Culture:

All projects have a level of contingency. The contingency in this case is there. Some of it has already been used in order to kind of maintain the levels we are at, but there is contingency built in.

Group Director, Economy:

More specifically, an inflationary number has been put against the 2 years of the project. So we are anticipating obviously increasing costs over that period of time which has been factored in.

Deputy R.S. Kovacs:

Like with the other one as well, has any investigation been made to attract private investors to the sector?

The Minister for Economic Development, Tourism, Sport and Culture:

It has not. It has crossed my mind we could. Obviously the speed of attracting that investment is difficult to determine, it could take years. The Opera House in the past was partly refurbished with subscription, public subscription. In this case, I think there is also a point that needs to be made to government, this is government's building. It has the full ownership of this building and it has failed to maintain that building. So, in my mind, government is the right party to finally refurbish this building and then, as we go forward, we will be looking at different models for maintaining that building. We will be building funding for that maintenance into the future model of the Jersey Opera House. But I think morally, if this is government's building and government has not maintained it properly; therefore, government should pay for it. That is what I think.

Deputy R.S. Kovacs:

Also has the £2.2 million in fiscal stimulus cash provided to the Opera House to carry out emergency repairs been taken into account in the budget for restoration? Given that the repairs were delayed owing to a lack of project manager, does the budget now include one and how has this cost been assessed?

The Minister for Economic Development, Tourism, Sport and Culture:

I am really sorry, you are going to have to say that a lot more slowly. Sorry.

Deputy M.R. Scott:

I think there is a keenness to cover all of these questions.

The Minister for Economic Development, Tourism, Sport and Culture:

The acoustics are not ... and also I do not have very good hearing; it does not help.

Deputy R.S. Kovacs:

No problem.

Deputy M.R. Scott:

So if you just slow down a bit, Raluca.

Deputy R.S. Kovacs:

Has the £2.2 million in fiscal stimulus cash provided to the Jersey Opera House to carry out emergency repairs been taken into account in the budget for the restoration? Given that repairs were delayed owing to a lack of project manager, does the budget now include one and how has this cost been assessed?

The Minister for Economic Development, Tourism, Sport and Culture:

I believe the budget does include a project manager. The £2.2 million fiscal stimulus has been included in that. I will ask Dan to break it down more.

[12:00]

Group Director, Economy:

So we had, as you say, just over £2.2 million awarded under fiscal stimulus. We have allocated a certain amount of that, around £500,000 this year, for the preparation for planning and building control works, and so the balance has effectively been carried out with a small amount re-allocated to the Hamptonne project that has overrun. So, £240,000 of that original £2.2 million has, with the permission of the Minister for Treasury and Resources, effectively been re-allocated against another arts and culture project that was needing completion. So that is about £740,000 that is being used this year. The balance of the £2.2 million will be carried over into the £9.5 million embedded in the Government Plan.

Deputy R.S. Kovacs:

The likelihood of now engaging a suitable candidate in view of previous difficulties, has that been assessed?

The Minister for Economic Development, Tourism, Sport and Culture:

The difficulties?

Deputy R.S. Kovacs:

The candidate for the most suitable project manager.

The Minister for Economic Development, Tourism, Sport and Culture:

Well they are engaged, as I understand it.

Group Director, Economy:

So, internally we managed the project as a major project, that is the definition, which involves me being the senior responsible officer. So I chair a meeting, a project team meeting, that includes internal and external people involved in the project because of course we buy in technical expertise in this area. So I am overall responsible for the delivery of the project but we also have a supplying senior responsible officer which is the current Director for Property Holdings.

Deputy M.R. Scott:

So you have closed the missing link then in terms of it being delayed before owing to the lack of project manager?

Group Director, Economy:

Yes. So basically we had our first meeting a week or 2 ago which I chaired, so we are now up and running. We are going to meet every 2 weeks to make sure that there is some pace in the project.

Deputy R.S. Kovacs:

Now to the renovation of Elizabeth Castle, this was a continuing capital project which £2 million is allocated next year and a further £1.6 million in 2024. The total project approved the allocation in the previous Government Plan of £3.9 million. Does this remain the total budget spend and can you explain any differences?

The Minister for Economic Development, Tourism, Sport and Culture:

I cannot explain any differences.

Group Director, Economy:

Sorry, I did not quite catch that, I beg your pardon.

Deputy R.S. Kovacs:

So, in continuing the capital project for Elizabeth Castle renovation, £2 million was allocated next year and a further £1.6 million in 2024. When the project was approved the allocation in the previous government was £3.9 million. Does that mean that is the total budgeted spend and any differences since the allocation?

Deputy M.R. Scott:

So basically there is a difference of £300,000 and so why is that? Does the £2 million and the £1.6 million remain the total budgeted spend?

Group Director, Economy:

I would have to look into it.

The Minister for Economic Development, Tourism, Sport and Culture:

I would have to get back to you on that; absolutely. The project is entirely being run by Jersey Heritage Trust, not by government.

Deputy R.S. Kovacs:

Can you outline any work that still needs to be done?

The Minister for Economic Development, Tourism, Sport and Culture:

It is a project which will go on until 2025, so there is a lot of work that still needs to be done.

Deputy M.B. Andrews:

What does the work involve on Elizabeth Castle?

The Minister for Economic Development, Tourism, Sport and Culture:

There is a huge amount. It is worth looking in to the project report. That includes things like the hospital block, bringing new accommodation into there. It is a really exciting project but there is a huge amount of renovation, reopening up and kind of repurposing as well. It will make the castle a real attraction in the Island, an even stronger attraction than it already is.

Deputy M.B. Andrews:

Do you think as well, with the renovation going on, that might affect the level of tourism in terms of Elizabeth Castle as an ...

The Minister for Economic Development, Tourism, Sport and Culture:

I do not think so.

Deputy M.B. Andrews:

No?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not think so because you only find out when you get there. But, no, seriously ...

Deputy M.B. Andrews:

So it is not going to be affected too much?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not think so, no. Jersey Heritage are managing it in a way which obviously minimises disruption to guests.

Deputy M.B. Andrews:

Yes, good.

Deputy M.R. Scott:

We have come to a section that is headed Departmental Spending Grant Staffing, so a change of subject. The Department for the Economy has at least 51.5 full-time equivalent employees at a cost of £5.8 million for each year of the Government Plan. In addition, agencies funded by the Department for the Economy such as Digital Jersey, Jersey Finance and Jersey Business have staff costs over and above this amount. Despite this investment, G.V.A. in real terms has not significantly increased in the last 10 years, if we ignore that blip about COVID. So what numerical value are you assigning to this investment in terms of contribution towards economic growth?

The Minister for Economic Development, Tourism, Sport and Culture:

Excellent question. We are not assigning a numerical value in terms of contribution to growth in short. When you talk about the Department for the Economy, I think it is also important to remember that the Department for the Economy is not just the team that you see around me here today, it also includes financial services. I do not know if I can say the bulk, but a significant proportion of that overall 51.5 figure that you mentioned is in financial services, and I do not see that side of it. As you say, it is a different Minister. In terms of the A.L.O.s (Arm's-Length Organisations) I think there is value in ensuring that the A.L.O.s are appropriately assigned missions in terms of their overall missions; that needs to be always reviewed, as does the way they deliver on those missions. So I think there is a piece of work to do to review, in a friendly way, to review the work that they are doing and make sure that we are getting value for money in terms of economic growth and development.

Deputy M.R. Scott:

So, does that involve calculating some sort of rate of return in terms of the amount that we ...

The Minister for Economic Development, Tourism, Sport and Culture:

I think we should understand the rate of return for all the A.L.O.s.

Deputy M.R. Scott:

Okay, thank you. It seems like a similar question, sorry, how do you measure the value for money on this taxpayer investment? I guess you are going to be ...

The Minister for Economic Development, Tourism, Sport and Culture:

Refer you to the previous answer.

Deputy M.R. Scott:

Okay. Are you able to produce departmental K.P.I.s (Key Performance Indicators) for your particular area of remit, please?

The Minister for Economic Development, Tourism, Sport and Culture:

I cannot produce them here and now but that is something that we need to be discussing, and I will be discussing with the Director General before the end of this year.

Deputy M.R. Scott:

Okay, so there is nothing written that can be just ...

The Minister for Economic Development, Tourism, Sport and Culture:

I do not have anything written. There is nothing that I have inputted into myself.

Deputy M.B. Andrews:

I was just interested to know as well in relation to economic policy, what will you be bringing forward, say, within the next year?

The Minister for Economic Development, Tourism, Sport and Culture:

A tourism strategy. Sorry, I am getting a real weird feedback from this side of the room; it is quite odd. I think it is those speakers, it is quite strange. There is a tourism strategy, and the outline economic framework will become an economic framework, not an outline economic framework. We will start work on that enterprise framework as well. 2024 we will be looking at a retail strategy to flesh that out and also we will be delivering on the marine economy strategy, and obviously the rural economy strategy as well.

Deputy M.R. Scott:

With respect to the retail strategy, this seems to be something that keeps constantly being re-invented. We had one produced and then that has been ...

The Minister for Economic Development, Tourism, Sport and Culture:

We had an interim one produced.

Deputy M.R. Scott:

Right. That has been ...

The Minister for Economic Development, Tourism, Sport and Culture:

It is still in the interim.

Deputy M.R. Scott:

Which might come on to my next question.

The Minister for Economic Development, Tourism, Sport and Culture:

If I could say ... because I spoke to the Retail and Supply Subcommittee at the Chamber of Commerce and they are obviously interested in a retail strategy. What I said to them is, due to department resources, and in my estimation the significant challenges facing the tourism sector, I have prioritised the tourism strategy to be delivered in 2023; therefore, the retail strategy happening in 2024 because we cannot do both concurrently.

Deputy M.R. Scott:

Thank you.

Group Director, Economy:

Perhaps if I can just go back to the previous question around K.P.I.s. I would not want the panel to think we have had no K.P.I.s as a department.

The Minister for Economic Development, Tourism, Sport and Culture:

No, but I was just saying I have not inputted into any.

Group Director, Economy:

Exactly. So in the past we have had departmental operational business plans which do have K.P.I.s embedded. Going forward we will have a delivery plan for the Department for the Economy with associated K.P.I.s as well.

Deputy M.R. Scott:

Do you have current K.P.I.s then?

Group Director, Economy:

Yes.

Deputy M.R. Scott:

Is it possible for us to be ...

Group Director, Economy:

Yes, it is public.

Deputy M.R. Scott:

Right. Okay, perhaps if we could follow that up and find out where we ...

Group Director, Economy:

It is on the States website.

The Minister for Economic Development, Tourism, Sport and Culture:

Or they would be on the departmental business plan for 2022.

Group Director, Economy:

Yes, they are all published each ... yes, they are all available.

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, that is what I mean, so it is published often.

Deputy M.R. Scott:

Thank you. We will ask our officer to extract those. So, if the formation of new policy groups, the handing out of grants and subsidies and the production of more policies and strategies are to be regarded as inputs by the Department for the Economy to achieve the result of improving economic productivity as opposed to standalone output, what should this panel and the public be expecting by way of output or return on taxpayers' funds with respect to these activities within this term of government?

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, it is really hard. In terms of anything or most things that you do with economics, there is a lag and it takes time for it to filter through. My ultimate aim really is, as I said earlier, for Jersey to be a place where young people, who are young people today, can see themselves living the rest of their lives, so that would be outputs including things like the cost of housing reducing. We are not going to be delivering that but overall as a government I hope that we are. From our department, it would be a sense of strength and confidence in the economy as a whole at cross-sectors. I expect that you will see sectors that are more comfortable with the support they are receiving from government, whether that is actual financial support or just in terms of creating a playing field and enabling their

businesses. So, sectors which feel that they are up against great challenges such as tourism at the moment, I would expect that you can see in 4 years' time that we have investment coming in to the tourism sector. I would expect there would be private investment principally and that you can see renewed confidence in that area. These are the sorts of outputs, as well as quantitative ones such as an increase in productivity. I would hope to see growth in certain sectors as well. Areas like the rural economy, it will be things like a more productive rural economy, but it will also be things like a rural economy that can see its way forward. So, one of the big questions in the rural economy at the moment is succession. As farmers retire, who is taking over from them? So, knowing how the future of that part of the economy is going to move forward is something I would want to have answered in the next 4 years. Obviously, the medicinal cannabis sector on top of that provides a different element. But, as a standing rule for this panel and myself, when I speak about rural economy, I am speaking about it without medicinal cannabis in that. So, when we are speaking medicinal cannabis that will be what I refer to; the rural economy is everything except medicinal cannabis.

Deputy M.R. Scott:

So, just expanding on that a little, what difference do you expect to see in the economic performance in the sectors for which you have ministerial responsibility by the end of this term, and what specific contribution do you expect the Department for the Economy to have made to this?

The Minister for Economic Development, Tourism, Sport and Culture:

I expect increased productivity to be the main overall ... and that is the kind of guiding light and the measure that I wish to be measured by. Difficult, as we may be going into recession, but we will see how that goes. Yes, so productivity is the main measure that I would expect to determine that. The department itself will provide a huge amount of input because it is the department which will be ensuring that the playing field ... because that is what we do. We do not deliver services; I do not have teachers or nurses. I have lots of businesses out there who operate themselves, they are all autonomous, I cannot tell any of them what to do, but it is about providing them with the tools that they need and the playing field that they can work on to increase that productivity.

Deputy M.R. Scott:

Thank you.

The Minister for Economic Development, Tourism, Sport and Culture:

The social enterprise element is also something I would love to see. At the moment Jersey has a very kind of latent social enterprise sector. I recently met with other jurisdictions in the British-Irish Council. Wales, for instance, generates £3.6 billion a year through its social enterprise sector. That is serious money, it is almost the size of our entire economy. Obviously, social enterprises deliver

all sorts of other benefits, principally environmental and social, and so I would also like to see that sector being developed and people seeing it as a genuine part of our economy, not an add-on to the economy but an integral part of the economy.

Deputy M.R. Scott:

Is there any way in which you see your department contributing ...

The Minister for Economic Development, Tourism, Sport and Culture:

I would like to see social enterprise becoming a sector within the Department for the Economy.

Deputy M.R. Scott:

But is there a specific action that you might be taking to encourage that then?

The Minister for Economic Development, Tourism, Sport and Culture:

Is there a specific what?

Deputy M.R. Scott:

A specific action.

The Minister for Economic Development, Tourism, Sport and Culture:

Well, yes. The first is to define what we want, what social enterprise is. Other actions include things like ensuring things like the Co-operative Law are up to scratch to enable co-operatives to be creative. Many social enterprises are co-operatives. Also I believe having the expertise in-house for people who understand what social enterprises are and how they operate. There are so many different types, it is incredible.

Deputy M.R. Scott:

Is that within your plan within your Ministry as opposed to the ministerial?

The Minister for Economic Development, Tourism, Sport and Culture:

For my department, yes. I would like to see us with a social enterprise sector officer in that department who is leading that sector. I think if it is not seen as part of the economy, I think then it is seen as charity and it is very much in that realm. While a lot of the work they do can be charitable, I just do not think you are giving it the seriousness that being a regular part of the economy gives it, and that is what I would really like to do.

Deputy M.R. Scott:

So is your intention to develop the department in that way?

The Minister for Economic Development, Tourism, Sport and Culture:

I hope so, yes. That is my hope.

Deputy M.R. Scott:

So, when you say “hope” ...

The Minister for Economic Development, Tourism, Sport and Culture:

Well because you never know. It is my intention but whether I succeed. So it is my hope that I do that, yes.

Deputy M.R. Scott:

For me, and forgive me, I have got a legal background, a hope is one thing, an intention is another.

The Minister for Economic Development, Tourism, Sport and Culture:

I appreciate that. It is both my intention and my hope.

[12:15]

Deputy M.R. Scott:

Could you please explain the work of the growth and trade sector in the Department for the Economy and how that will be measured in numerical value?

The Minister for Economic Development, Tourism, Sport and Culture:

No, is probably the quickest way to answer that; I cannot explain how it will be measured. The growth and trade sector is about our export and also our inward investment. It is about how we engage with the wider world at an economic level. It involves external relations as well which is why there is some ... when I say I do not know how they are measured, that is one of the reasons for the confusion because it just does not sit within our economy. But I know I work with the Minister for External Relations and Financial Services well, and already have done, to start to open up those economic ties.

Deputy M.R. Scott:

Thank you.

Deputy M.B. Andrews:

Also moving forward, the Department for the Economy has recently advertised a position for a sector officer to support delivery of priorities and sport with a central role in influencing policy and decision-

making in sport for Jersey. What value is this position expected to add in addition to the roles performed by existing policy officers, Jersey Sport and Infrastructure officers?

The Minister for Economic Development, Tourism, Sport and Culture:

I think I get to sit back a bit here.

Deputy M.R. Scott:

You do, certainly.

Assistant Minister for Economic Development, Tourism, Sport and Culture:

I think the short answer is, an awful lot, because at the moment the officers that there are that have sport in their title I think is fair to say they have an awful lot else in their title: arts, culture, heritage and sport. If you take into consideration that we have now got the 1 per cent funding for arts, culture, heritage, there is an awful lot of work going on there, so really there is a gap at the moment for sports policy. Jersey Sport obviously sits independently from government. It does have its own policies but it is a delivery partner. There is currently nobody really dedicated to work on sports strategy and policy from a government point of view, so that would fill this gap.

Group Director, Economy:

It is worth adding, Chair, perhaps that we have also got a parallel piece of work being undertaken around trying to ascertain the actual economic value of sport to the Island. So, that will be a springboard to start to have a focus, the department against new priorities from a new ministerial team.

Deputy M.R. Scott:

Thank you. Assistant Minister, I wondered, you have been using the expression “awful lot” an awful lot, so could you perhaps be a little bit more specific about this value? I know you said you were trying to quantify overall but in terms of why you are bringing ... you have also mentioned Jersey Sport being responsible for delivery but we understand that this sector officer is supporting delivery. So what is the kind of gap between Jersey Sport and what it is delivering and what the sector officer is sort of doing to support Jersey Sport in delivering that is not being supported right now?

Assistant Minister for Economic Development, Tourism, Sport and Culture:

So it is being supported right now but I think it is fair to say that the capacity there is an issue at the moment, so to have somebody dedicated will help to address that capacity issue. When I have come into this role, it has become very clear very quickly that the relationship - and there has got to be a relationship between Jersey Sport and government - is one that you need to link with them. Now, if you have not got an officer, well, we have currently got officers, but the capacity issue there,

how do you have those conversations, how do you hold Jersey Sport to account? There is a lot of public money that goes to Jersey Sport. How do we ensure that they are delivering what we as a government set as our strategy and our policies? Who do they come and partner with in government? So that link is really important to ensure that the 2 are complementing each other and working together really.

Group Director, Economy:

I would add perhaps that it is not just policy development and acting as an effectively relationship manager with our A.L.O. responsible for sport delivery, it has also become clear that we neglect at our peril some of the international standards and regulatory regimes that the Island, if it wants to engage in sport internationally or develop elite athletes, needs to take advantage of. A good example of that has been anti-doping in sport and some of the ...

Deputy M.R. Scott:

We saw that, yes.

Group Director, Economy:

Yes, exactly. So we have an interim officer that is dealing with some of that capacity issue at the moment but on a one-year fixed-term contract. So I think it has become increasingly clear that there is not just a policy dimension, not just an interlocutor role, but also someone that needs to monitor international standards and make sure that Jersey is compliant with those.

Deputy M.R. Scott:

Thank you. I am aware we are coming up to ... I think we are scheduled until 12.30 p.m. and we have got 10 minutes left and about 5, 6 questions. So would you be willing to just spend 5 or 10 minutes longer if there is a bit of an overrun?

The Minister for Economic Development, Tourism, Sport and Culture:

I would prefer not to.

Deputy M.R. Scott:

Okay. Well we are going to gambol through these.

The Minister for Economic Development, Tourism, Sport and Culture:

Only because I have one opportunity to grab a bite to eat before the next meeting, and so I do not really have ...

Deputy M.R. Scott:

All right. I would not want to starve you, Minister; you are thin enough already.

The Minister for Economic Development, Tourism, Sport and Culture:

I am never good when I am hungry.

Deputy M.R. Scott:

So, we probably will be cantering, asking you to be concise. Thank you.

Deputy R.S. Kovacs:

Let us aim to finish it then.

Deputy M.R. Scott:

Yes. Do go on, sorry.

Deputy M.B. Andrews:

Also, please could you provide any key performance indicators to which a job description refers to?
So we have just been speaking about the sector officer role.

Assistant Minister for Economic Development, Tourism, Sport and Culture:

Yes, I am sure we have.

Group Director, Economy:

So our job descriptions are relatively generic and they are based around key civil service competencies on the whole. So the non-specific ones there will be a sort of broad narrative around the scope of the role. The job descriptions themselves will not contain key performance indicators. Those will be set on an annual basis with the appropriate line manager and according to the prevailing circumstances that year. So the K.P.I.s for the posts are not embedded in the job descriptions.

Deputy M.R. Scott:

Right. Okay, so we might check if we have got a copy of those and may come back to you.

The Minister for Economic Development, Tourism, Sport and Culture:

Can I just add as well, when you are talking about employment, we have no sight of that as Ministers.

Deputy M.R. Scott:

No.

The Minister for Economic Development, Tourism, Sport and Culture:

That is entirely outside of our kind of area.

Deputy M.R. Scott:

Okay.

The Minister for Economic Development, Tourism, Sport and Culture:

So I have no sight of the appraisal process, et cetera, et cetera.

Deputy M.R. Scott:

You can have a look at the job description apparently.

The Minister for Economic Development, Tourism, Sport and Culture:

Well I can have a look at the job description, but at the end of the day employment is a matter for the officers and the C.E.O. (Chief Executive Officer), and it tumbles down from there, and the States Employment Board obviously.

Deputy M.R. Scott:

Employment is. However, we are also talking about the way in which you anticipate delivering things in the context of budgets and things.

The Minister for Economic Development, Tourism, Sport and Culture:

Right. But I do not hold an individual officer to account in that way. I hold the department to account through the Director General, and the Director General will be holding the officers to account in that way. So I am just trying to highlight the fact that Ministers do not have great view of the employment side of the civil service.

Deputy M.R. Scott:

Thank you.

Deputy M.B. Andrews:

So moving on, according to Visit Jersey ...

Deputy M.R. Scott:

I am sorry, there is another question on my list. Shall I ask that quickly, because I wrote it down?

Deputy M.B. Andrews:

Yes.

Deputy M.R. Scott:

Are you expecting this role to have any impact on economic growth and, if so, to what extent?

Assistant Minister for Economic Development, Tourism, Sport and Culture:

There is a piece of work going on at the moment looking at the value to Jersey in economic terms and social terms of sport. I think really from there, that is a conversation that maybe can be had in future. It is not something really that there is an answer to at the moment, but it is certainly something that we should consider, and we will consider. I think having that base information will help us do that.

Deputy M.R. Scott:

Thank you.

Deputy M.B. Andrews:

According to Visit Jersey statistics, registered bed spaces have declined from 14,400 in 2003 to 10,600 in 2017. Could you confirm that 2017 is the latest reported figure?

The Minister for Economic Development, Tourism, Sport and Culture:

I believe we have got more recent figures than that, absolutely, but I can tell you that the decline has continued. We will get the figures up to date; yes, absolutely.

Deputy M.B. Andrews:

Okay, thank you very much.

The Minister for Economic Development, Tourism, Sport and Culture:

Definitely.

Deputy M.B. Andrews:

Also, what is the justification for Visit Jersey receiving a relatively stable level of funding despite the downward trend in numbers of hotel beds, and what work is being done to review the status of ...

Deputy M.R. Scott:

No, we decided to drop that. Thank you.

Deputy M.B. Andrews:

So, the next question ...

The Minister for Economic Development, Tourism, Sport and Culture:

Shame, I had a good answer.

Deputy M.R. Scott:

No, can you just finish that? Let the Minister answer it, please. Thank you.

Deputy M.B. Andrews:

Yes.

Deputy M.R. Scott:

So you got the question?

The Minister for Economic Development, Tourism, Sport and Culture:

Yes, the one that you have withdrawn?

Deputy M.R. Scott:

No, no, no. There was some additional bit and we decided to simplify it, sorry. Obviously, Deputy Andrews's notes do not conform with mine.

The Minister for Economic Development, Tourism, Sport and Culture:

You need to ask it again.

Deputy M.R. Scott:

So that was, what is the justification for Visit Jersey receiving a relatively stable level funding despite the downward trend in the numbers of hotel beds?

The Minister for Economic Development, Tourism, Sport and Culture:

Visit Jersey is not responsible for the number of hotel beds; Visit Jersey is responsible for trying to attract visitors to the Island. So, its funding is essentially pass-through funding in the sense of Visit Jersey receives that funding and spends most of it on advertising and public relations, communications with the outside world to attract visitors to the Island.

Deputy M.R. Scott:

I think the point here is that there are fewer beds to fill and so ...

The Minister for Economic Development, Tourism, Sport and Culture:

Interestingly, yes, there are fewer physical beds to fill, but we still - and I made this comment when I was Chair - we still have not filled the shoulder months, so there are still plenty of empty beds to

fill as well. Our problem is peak season, we are at capacity absolutely, and almost certainly you could fill beds beyond where we are at the moment. But outside of peak season, we still have plenty of beds to fill.

Deputy M.R. Scott:

Thank you.

Deputy M.B. Andrews:

Yes. I am just a bit conscious of time. Deputy Kovacs.

Deputy R.S. Kovacs:

Related to sport again, an elite sport strategy is mentioned in the ministerial plan, please could the Assistant Minister provide a timeframe for the delivery of that strategy and whether there is any definition yet on what is meant by elite sport and which sports will be included in that definition?

Assistant Minister for Economic Development, Tourism, Sport and Culture:

So the timeframe is next year; it is in next year's ministerial plan. I think we have discussed if there would need to be any funding from that in future years. Then it probably needs to be the summer that we have got decisions on that. The second part of your question was how we define elite sport. That is a conversation that needs to be had, and hopefully that is something that, once we have an officer in post and this piece of work, that is one of the first things we have got to address. As far as what sports are covered, at the moment it is very open. It is not something that is targeted to specific sports or singling any out in particular. I would see it being very broad.

Deputy R.S. Kovacs:

Thank you. Can the Assistant Minister explain how the Government Plan proposals allow for the delivery of the priorities in relation to sport, and how this is being developed in conjunction with the Department for Infrastructure's own facilities, including Fort Regent?

Assistant Minister for Economic Development, Tourism, Sport and Culture:

So if I take that in 2 parts. From the Government Plan, support for the economic development side of it is in this officer who will be able to support what happens next and how we develop that from there. The links with infrastructure are ongoing and that is a conversation ... we have regular meetings. I have good links with the department and the Minister there as well. Fort Regent obviously sits under the Minister for Infrastructure, but I am involved in conversations and cited on things that are to do with sport and sport policy. As far as that goes, the plan is still to decant sport from Fort Regent by the end of next year.

Deputy R.S. Kovacs:

One last question on elite sport, would any investigation be carried out on what sort of sports have a performance level of representing Jersey internationally and make sure that those are supported?

Assistant Minister for Economic Development, Tourism, Sport and Culture:

Again, it is a very open thing. I think that is a piece of work that happens as part of the elite sport strategy, to engage with the sports and see what work is happening where. It is also something that Jersey Sport is constantly aware of, and they have a lot of those links existing, so we will be tapping into that knowledge there.

Deputy R.S. Kovacs:

Thank you.

Deputy M.R. Scott:

I think just in terms of that, there does seem to be an overlap when we are reviewing the Government Plan and things in terms of what might be perceived to be infrastructure maintenance of buildings and facilities. Then we see these same things popping up in projects for the Department for the Economy. I am aware, Minister, you said something about - both Ministers have mentioned - something about ongoing discussions between Infrastructure and the Department for the Economy, to what extent do you perceive that some of the work that you are doing is compensating perhaps for a lack of maintenance of facilities? If that is the case, what might you be doing to try and remedy this?

The Minister for Economic Development, Tourism, Sport and Culture:

So, I genuinely personally cannot speak much about sports facilities because even when I was Assistant Minister, I did not have anything to do with them there. Overall, and certainly in the heritage area, there has been a consistent lack of investment by government in its properties, hence, we have Elizabeth Castle which has been massively underinvested in over 30, 40 years, again, owned by the Government. The Opera House is another one; Jersey Arts Centre is another one, so I have seen in the area of heritage and arts there is clearly a lack of investment by government in its properties. This is something that other Scrutiny Panels in the past have absolutely highlighted, I believe the C. and A.G. (Comptroller and Auditor General) has highlighted, it is an ongoing problem. So, as I have said with the Opera House, as we develop a new model for the Opera House, part of that model will be the ongoing funding of maintenance because it is just stark and clear over the last 30 years not enough was invested in it.

Deputy M.R. Scott:

Deputy, you have got one more question? Thank you.

[12:30]

Deputy M.B. Andrews:

Final question, so in the report on progress by department on the Government webpage for the States of Jersey *Annual Report and Accounts 2021*, the only progress reported relating to the Department for the Economy was on the Financial Crime Strategy. Why has no progress been reported in other areas too?

The Minister for Economic Development, Tourism, Sport and Culture:

I do not know and I do not know why it has been reported on the Financial Crime Strategy.

Deputy M.R. Scott:

Maybe we can follow up on that. We are referring to a specific ...

Deputy M.B. Andrews:

Follow up on that, yes.

The Minister for Economic Development, Tourism, Sport and Culture:

It is a really good spot, is what I can say, so I am quite interested.

Deputy M.R. Scott:

Thank you. But there may be a lack of communication.

The Minister for Economic Development, Tourism, Sport and Culture:

Sorry, I think Lucy ...

Assistant Minister for Economic Development, Tourism, Sport and Culture:

I just wonder if I could add something with my communications hat on, that there is a piece of work going on at the moment to look at the information that government provides to the public. It includes how reports are published on the website and I would be happy to feed that kind of information back. If you would provide me with a bit more detail perhaps, I can feed it into that work.

Deputy M.R. Scott:

Sure. We will follow that up then. Thank you very much, Ministers, for attending our hearing today, and officers too, and for addressing our questions, which I do believe it has been quite a grilling. So thank you particularly for your energy there. Thank you to the members of public who have watched this hearing as well. So officers are going to stop the recording and thank you again.

The Minister for Economic Development, Tourism, Sport and Culture:

Thank you.

[12:31]