



| States Assembly

States Greffe

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

BY EMAIL

23rd March 2023

Dear Minister,

Questions for follow up briefing on Outline Economic Strategy/ Future Economy Programme

The Panel received a briefing in February from the Chief Economic Advisor and other officers within the Department for the Economy regarding work to be carried out by the Economics Units in connection with on the Outline Economic Strategy (OES) and the Future Economy Programme (FEP).

The Panel's scheduled follow-up briefing with you has been delayed until April. In preparation for that briefing, please could you provide a response to the following questions.

1. Please confirm the Future Economy Programme is the same as the Economic Framework to which the Outline Economic Strategy Executive Summary (OESES) refers?
2. Is the work of the Economics Units to which the Chief Economics Adviser referred in his briefing one of the four component parts, along with the OES, of Jersey's Economic Framework to which the OESES (page 8) refers?
3. The Ministerial Delivery Plan dated January 2023 states that 'building on the Future Economy Vision we will 'develop a more detailed economic strategy of the need for growth and setting out the conditions needed to achieve that growth' led by the Economics Team. Could you please:
 - (i) confirm this is the work to which the Chief Economic Adviser referred in his briefing;
 - (ii) advise which part, of the four component parts of Jersey's Economic Framework in which the OESES (page 8) refers to the Economic Framework, will this work produce; and
 - (iii) explain how the conditions 'needed to achieve that growth' will be identified; and advise how these conditions to be set out by the Economics Unit will differ in content from:
 - (a) the 'barriers to business' work to which the Ministerial Delivery Plan dated January 2023 also refers; and
 - (b) the 2015 report "[Jersey Innovation Review](#)" notably the other factors that have held back innovation in companies ([Page 71](#)),

and how each of these pieces of work will inform or connect with each other?

4. The OES mentions the structural economic weaknesses listed in it are not comprehensive lists. Will the work of the Economics Unit produce a comprehensive list?
5. Please confirm the future economy vision is 'to be a consistently high-performing, environmentally sustainable and technologically small island economy by 2040' and advise whether the Future Economy Vision will remain the same following the work of the Economics Unit and, if not, how the Future Economy Vision might be expected to change following that work?
6. Please explain the meaning of the words 'consistently', 'high-performing', 'environmentally sustainable' and 'technologically small island economy' in terms of vision and numbers and how the vision for growth differs from the economic strategies for fast growing of Asian island economies such as Singapore and Taiwan and why?
7. Are the growth projections to which the OES Abridged Version (OESAV) refers sufficient to achieve the Future Economy Vision by 2040?
8. Who were the key stakeholders that were engaged with in the production of the OES and how were they selected?
9. Your [letter](#) dated 24th February states that "the continued development from Outline Economic Strategy to the Future Economy Programme" will include "Similar workshops to engage with key stakeholders, including industry members which will take place in the coming months". Who will be the key stakeholders for the purposes of these workshops and what further input do you expect to be seeking from them?
10. The OES refers to the possibility of some sectors 'shrinking' under the demographic shift and social change section. How will Government anticipate, calculate and respond to this?
11. The OES also refers to opportunities provided by States Owned Entities in skills training. Will the tensions between small jurisdiction competition policy and the possible advantages of Government monopolisation be reviewed in this and other respects as part of the work on the FEP?
12. How are Government organisation and transformation plans expected to align with the OES/FEP?
13. How much staffing is expected to be made available from the public sector to the private sector as a result of these plans?
14. What is the Future Economy Partnership to which the OES refers?
15. The OES mentions investment in 'more robust data'. Has this been identified or delivered and if not, how soon will it be?
16. How confident are you that the full Economic Strategy to which the Ministerial Delivery Plan refers will be delivered on time? Will this comprise all four components of the Economic Framework to which the OES refers?
17. Have any extra members of staff been employed to meet the timescale?

18. What models and global data have been used to produce the OES and how are these to be developed or updated?
19. Noting the Economic Council's [New Perspectives report](#) (ECNPR), do you accept the Report's identification of the most significant drivers to future economic prosperity (set out below)?

1. *Jersey's economy needs an inspiring and clear vision for its economic development with a twenty-year plus horizon;*
2. *The Government's new "Economic Framework", which is under development, needs to be accelerated and must include clear strategies for all key economic segments and industries (the 'verticals'), that are maintained to ensure they remain current;*
3. *Government primarily needs to be a true enabler and facilitator of innovation – to help create the right environment – and needs to accelerate its own orientation in this respect. The role of Government is not always to be the funder of initiatives as the private sector and private/public partnerships can sometimes provide more viable solutions;*
4. *Government should actively elicit reactions and responses to this paper from organisations and citizens as additional input and provide its own considered response.*

If so, how will this be incorporated into the FEP and its timetable?

20. Will further FEP work seek to follow ECNPR recommendations such as embracing the faster growing 'new economy', aiming specifically to grow Jersey's proportion of new economy business, securing cheaper and more secure energy through renewables, growing eco-tourism, growing knowledge capital in deeper commercialisation skills, Best Known Methods, and encouraging transition from Fixed Evolutionary Mindset to Disruptive Growth Mindset and regeneration from an infrastructure and quality of life perspective?
21. Why is there is no mention of manufacture in the OES (onshore or offshore)?
22. Is the FEP an overarching strategy and, if so, are the Tourism and Export strategy in danger of being developed in a silo?

We would be grateful if you could respond to this letter no later than Thursday 30th March 2023 in line with the 5 day response period required for correspondence between Scrutiny Panels and Ministers. Should you require additional time in which to respond, please let our officer know.

If you have any questions regarding this, or our work in general, please do not hesitate to contact me. Please note that unless otherwise stated, all letters will be uploaded to the Scrutiny website as a matter of course.

Yours sincerely,



Deputy Moz Scott
Chair
Economic and International Affairs Scrutiny Panel