



Corporate Services Scrutiny Panel Minister for External Relations Hearing with the Chief Minister

MONDAY, 15th APRIL 2013

Panel:

Senator S.C. Ferguson (Chairman)
Deputy J.G. Reed (Vice-Chairman) of St. Ouen
Deputy S. Power of St. Brelade

Witnesses:

Senator I.J. Gorst (The Chief Minister)
Senator Sir P.M. Bailhache (Assistant Chief Minister)
Mr. T. Walker (Director of International Affairs)

[14:31]

Senator S.C. Ferguson (Chairman):

Welcome to our meeting of the Corporate Services Scrutiny Panel to discuss the proposition regarding a Minister for External Relations. Now, I believe you will all have read the health warning and so I wonder, without more ado, if we could just introduce ourselves for the purposes of the ladies who do the transcribing in New Zealand. Just for the record, Chief Minister, we do have quite a lot of questions so if we can ...

The Chief Minister:

I shall try to be short in my answering of them then, shall I?

Senator S.C. Ferguson:

Then perhaps if we have one or 2 left over we can maybe send them on to your department?

The Chief Minister:

Indeed, yes. I am just thinking if you had particular questions about budget and that sort of thing you might want to ask in more detail, we can reply to them in due course so that you can publish them on the website.

Senator S.C. Ferguson:

Super, but just for the benefit of everybody, why was the Chief Minister made responsible for external relations?

The Chief Minister:

That is a very good question, Chairman. It was part of the 2005 law where it was made explicit, and that in itself is in common with the international norm where you would have the senior Government person ultimately sharing responsibility mostly with an external affairs or a foreign relations minister as well. So I think that was the first time it was actually codified in the law that the Chief Minister would have that responsibility.

Senator S.C. Ferguson:

Right. So how do you as Chief Minister and Sir Philip as Assistant Chief Minister currently manage the workload of external relations? For instance, how much involvement do you have, Chief Minister?

The Chief Minister:

As you alluded to in your first question, the legal responsibility remains with the Chief Minister and in order to ensure that the Chief Minister and the Assistant Minister were working together, it was felt that it was necessary to set up not a committee but in fact a group of interested parties so that decisions that needed the Chief Minister's involvement could be considered and discussed in a formal environment. Of course, there are many small decisions, particularly around sanctions, that find their way up to requiring my decision which does not really need the Chief Minister's decision but will be quite adequately and ably be able to be administered by the new Minister for External Relations. So we share it, I think, in a very pragmatic way. I obviously need to be in Jersey for the majority of my time, but there are some times when it calls for the Chief Minister to attend meetings either in London or further afield, but generally day-to-day meetings outside of Jersey are undertaken by the Assistant Minister and will continue to do so with the new Minister. That really is all about building relationships one to one, which you would not expect a Chief Minister to

do but there are times when you need that senior Government official to be able to come in and perform the functions that only a Chief Minister can.

The Deputy of St. Ouen:

Is it not true, though, Chief Minister, that there are others who are responsible equally for external relations? We would like to understand how you work with, for instance, the Bailiff and the Lieutenant Governor in these matters.

The Chief Minister:

I think we need to be careful not to mix up the role of democratically elected Government's roles and responsibility with those of the civic head of Jersey, that of the Bailiff, and with His Excellency, who in effect represents Her Majesty in our community. But there is absolutely and we see a growing need for an international role for the democratically elected officials within our community.

The Deputy of St. Ouen:

We have had obviously a submission from the Lieutenant Governor that has in his view outlined his role. It certainly seems that it is slightly more than just a passing one. Again, I suppose my question is how do you see that association, that role and responsibility, of the Lieutenant Governor that he is given with regard to some of our relationships linked to the role that you obviously have been democratically required to undertake?

The Chief Minister:

I do not think there is a conflict. I obviously have not had the benefit of seeing the representations that you have had from His Excellency's Office so I cannot comment on them in any detail, but I do not see there being a conflict at all. I think it is absolutely right and our community would expect that the democratically elected Government and Chief Minister and Ministers are responsible for external and international relations as outlined and flows on from the framework agreement that the previous Chief Minister agreed with the United Kingdom Government.

The Deputy of St. Ouen:

One last question on the matter. It is interesting to say that you have not seen the Lieutenant Governor's submission, and it is quite possible you have not. What is more surprising is that you are not aware of his views or the views of perhaps the Bailiff with regard to the proposals of external relations and how they may or may not fit.

The Chief Minister:

We already have an Assistant Minister with the responsibilities that I will be proposing. What this proposal is is to create that office as a Minister rather than as an Assistant Minister. Therefore, I

would be surprised for there to be any concern with that regard. Of course, you would not expect me to have seen private correspondence which is addressed to the Scrutiny Panel. It rightly should be independent of the Executive.

The Deputy of St. Ouen:

Chief Minister, though, would you not agree that it is important if we are going to create the role of a Minister for External Relations that that role is clearly defined and it is well understood the relationship with other roles that are currently undertaken on the Island by, for instance, the Bailiff or the Lieutenant Governor?

Assistant Chief Minister:

Can I, if the Chief Minister will allow me, just follow up what the Chief Minister is saying? Because the Lieutenant Governor's role is a role, as the Chief Minister has said, as the representative of Her Majesty in the Island. In practical terms, insofar as the conduct of external affairs are concerned, the Lieutenant Governor plays a very useful role in interpreting the United Kingdom Government to the Government of Jersey and conversely interpreting the Government of Jersey to the Government of the United Kingdom. He is a kind of universal joint who sits, as it were, between the two Governments and can play that kind of role. But if you ask the Lieutenant Governor whether he is going to conduct external relations on behalf of the Government of Jersey, I am quite sure - and like the Chief Minister I have not seen the letter - that he will tell you he will have nothing to do with that. That is not his job. The job at the moment is performed by the Assistant Minister.

The Chief Minister:

Just following on from that, of course we do not think that it is strange that in the United Kingdom we have Her Majesty as head of state, we have the Prime Minister and we have the Foreign Secretary. There does not appear to be a conflict there. You have the head of state in our parliamentary democracy approach and you have the Prime Minister. You would not expect there to be any confusion about those functions. It is likewise here.

Senator S.C. Ferguson:

Yes, but Guernsey and the Isle of Man are not planning currently to establish a Minister for External Relations because at the moment we are not independent. So why are we doing it and Guernsey and the Isle of Man are not? Do you happen to know why?

The Chief Minister:

Well, I think we find that Guernsey certainly are increasing their international work and Philip has done a number of visits in the United Kingdom and across Europe with their Deputy Chief Minister,

so in actual fact they are enhancing and changing that role. I suppose that we are a number of steps ahead. We have had the role of an Assistant Minister in the last parliamentary session and I gave a commitment and have always been of the opinion that this work is of sufficient importance to Jersey's future that it should be of the level of Minister because equally that is an international accepted standard which is recognised and understood around the world. So I do not think that ...

Senator S.C. Ferguson:

Except last week I noticed ...

The Chief Minister:

Guernsey and the Isle of Man might not be there quite yet. I think they also recognise the growing importance of representing ourselves, the devolved Governments. They themselves have Ministers of Cabinet level responsibility undertaking external relations.

Senator S.C. Ferguson:

We have been advised that although it is the international norm for external relations to be shared between a Chief Minister and a Minister for External Relations, our research has shown that in some jurisdictions this structure has only been introduced on independence. Given that Jersey is not an independent state, why is this model appropriate?

The Chief Minister:

Because it is not in any way connected with independence. It is connected with the reality of where we find ourselves as a small jurisdiction having to more and more represent ourselves across the world. I think that any assessment of the challenges that we face would lead one to believe that we should be strengthening the role and giving it due importance, and we do that by creating a Minister for External Relations rather than reversed. It is not tied with independence. Quite clearly, the Council of Ministers now have a common external relations policy that the post will be able to work to, undertaken with the Chief Minister. It appears to me that it is quite simply the next appropriate - and I personally believe long overdue - step in that process.

Senator S.C. Ferguson:

Yes, because we cannot actually enter into treaties without the permission of the U.K. (United Kingdom). The external policy has not been brought to the States for agreement. Are we not perhaps putting the cart before the horse? Should we not be sorting out, for instance, that we all agree with the external relations policy before we start on this?

[14:45]

The Chief Minister:

I think that you would expect a government ... and that was a step forward. Many governments do not even put forward as a report into the public domain their foreign policy aims or their external relation aims. We took the view in the light of wishing to be open and transparent that it was right for us to publish that external relations common policy and that the Council of Ministers should be held to account for delivering on it. That is another reason why I believe that the creation of the Minister for External Relations is absolutely imperative so that the States themselves and the public will have an individual whom they can hold to account for the delivery of that policy.

Deputy S. Power:

Chief Minister, do you think that in times past, in this our seventh and a bit year of ministerial government, perhaps our external relations and affairs have been underrepresented by the Chief Minister? Is that a possible justification for this proposal?

The Chief Minister:

As I said, I am of the view and have long been of the view that this post that was created under the last Government should be of a ministerial standing. I understand why that did not happen in the first instance, but we are a Government who, where we see things that are not as they should be, seek to address them and improve upon them. We make no apology for that. It is creating a system which complies with the international norm and expected standard and will be seen as such by other jurisdictions around the world. I do not wish to criticise my predecessors but that is the view I have and that is why I bring forward this proposal. Of course, we know that historically to some extent Jersey has had the view that if we kept our head down all would be well, and that did work for a time, but we do not live in those times anymore. We know that people can criticise us, can misunderstand us, and to some extent we are not always represented because of resource issues by the United Kingdom. We therefore have to stand up, correct those misconceptions and help people to understand how Jersey operates, what Jersey does, and represent ourselves.

Deputy S. Power:

Your predecessor to a certain extent acknowledged part of the role of a Minister for External Relations because he did appoint an Assistant Minister at the time, Senator Cohen at the time. Was there much discussion on the previous Council of Ministers on the role of a Minister for External Relations, can you remember?

The Chief Minister:

We did have discussion at the time about what the role should be. I made my view clear and in actual fact a piece of work was undertaken by the then Chief Executive Officer to bring forward

changes to the law that we now have in front of us and which now I hope to launch, pending your review which I hope will be supportive, to do just that.

Deputy S. Power:

Do you remember any specific views that your predecessor might have had on this role as it is purported to be now?

The Chief Minister:

I cannot think that I do off the top of my head but perhaps you might like to ask him rather than ask me.

Senator S.C. Ferguson:

Where does F.E.R.A.G. come into all this? Sorry, for the benefit of the audience, the Financial Services and External Relations Advisory Group.

The Chief Minister:

Well, it helps basically with the discussion and decision-making process.

Senator S.C. Ferguson:

Who is on it?

The Chief Minister:

Let me just have a look for you.

Senator S.C. Ferguson:

That many?

The Chief Minister:

Yes, there are indeed. You could argue that it is a little too large. Myself, the Deputy Chief Minister, the two Assistant Chief Ministers, the Minister for Treasury and Resources and his Assistant Minister and the Minister for Economic Development, as well as a number of senior officials.

Senator S.C. Ferguson:

What role does it play?

The Chief Minister:

It does just that, it helps to discuss, consider issues as they arise and as they are playing out and ultimately helps me make a decision or the Minister for Economic Development make a decision if it is about inward investment and trade and on some occasions the Minister for Treasury and Resources if it fits with his portfolio.

Senator S.C. Ferguson:

So you make sure that everybody is singing from the same hymn sheet?

The Chief Minister:

It tries to do exactly that in the absence of a legal framework which delivers that, yes.

The Deputy of St. Ouen:

If external relations are so important, which obviously they clearly are, why as Chief Minister are you believing that the responsibility should be passed to somebody else?

The Chief Minister:

I am not saying that it should be passed to somebody else. I am saying that it should be undertaken concurrently as is the international norm.

The Deputy of St. Ouen:

But is it not the case that you as Chief Minister have already raised issues regarding the nature of the Council of Ministers and the particular difficulty of Ministers being a corporation sole? Do you not believe that the creation of a Minister for External Relations might cause further tensions to those which already exist within the current Council of Ministers?

The Chief Minister:

I do not believe it will. The Assistant Minister and myself have a good working relationship. We, as you would expect, as in common with other Ministers, discuss issues robustly because we are both keen to defend Jersey's interests. But be in no doubt, as I said to your Panel last week on other matters, I am not satisfied with the current structure of ministerial government and I will be bringing forward legislative changes to address those as well.

The Deputy of St. Ouen:

Are you satisfied or do you believe it is sufficient that the Council of Ministers should simply produce an external relations policy as a report rather than seek approval from the Assembly as a whole?

Director of International Affairs:

Do you want me to ...?

The Chief Minister:

Yes, you can do.

Director of International Affairs:

Just to clarify that one, the States of Jersey Law requires the Council of Ministers to produce their common policy.

The Deputy of St. Ouen:

Yes, I am not challenging that. I am asking the Chief Minister whether he thinks that that is a suitable way of conducting and agreeing external relations, especially in light of the fact that he is now suggesting that the importance is greater and that we should now have a Minister fulfil that role who would be elected. So I suppose the question still exists: do you think that it would be better that the external relations policy as proposed by the Council of Ministers should be approved by the States rather than just presented as a report?

The Chief Minister:

I see no need for that to take place. In actual fact, I would say that the common policy has been warmly received because it is the first time that we have done it. It enables Members and the community to hold Government to account and we have gone further than most other jurisdictions in publishing that, as I have said, in the interests of being open and transparent. I see no need at this time for any States debate on it.

The Deputy of St. Ouen:

You are suggesting that, again recognising the importance of external relations and the possible future implications that certain challenges that we are facing may present, you seem to be comfortable with the fact that 10 individuals, albeit elected individuals, the Ministers of certain departments, are able to determine an external foreign policy which they just present to the States and can expect everybody else, public included and other States Members who are in the majority, to just support it as a matter of fact.

The Chief Minister:

Well, of course, the States of Jersey Law allows any Member to bring any amendment to virtually anything they like should they so wish, but building from the common foreign policy was the Medium-Term Financial Plan, putting in place certain projects and delivery of that common foreign policy with the actual financial resources to support that. Any Member could have said: "Well, we

do not agree with the common foreign policy and we do not agree with this particular line of work that the Chief Minister is proposing.” So there are opportunities for Members to have their input into this process.

Assistant Chief Minister:

It is what the States have decided, is it not? The States have decided that the Council of Ministers shall determine the Island’s external policy. That is in the States of Jersey Law, which the States Assembly has passed so it would be constitutionally rather strange if the Council of Ministers, which has the responsibility under the law to decide these things, were to say: “You, States Assembly, now have to decide whether it is right or not.”

The Deputy of St. Ouen:

I appreciate that it might be the law and I appreciate the reasons perhaps why it was configured like that at that time. However, we have moved on and my question is still whether or not that is currently suitable. Surely if you have a Council of Ministers that is responsible for a common policy and believe that it is important to get buy-in from the States as a whole in support of their current policy, it is quite possible for the Chief Minister or the Council of Ministers to bring changes to the States of Jersey Law to amend it so that you could reinforce that overall view. To take it to extremes, if we were to seek independence, one would hope that that sort of matter would not be just a common external relations policy that is presented to the States as a report but it is debated and properly agreed and approved within the States Assembly as a whole.

The Chief Minister:

Well, they are two completely different matters, are they not? It might be easy to just string them together in a question and a sentence, but they are two completely different matters, as you will know from looking at the work of the second constitutional review group. Criticise us if you like, but we are the first Government that has done what was envisaged by the States of Jersey Law in 2005. We have produced our common policy. Yes, there were small areas of policy that were being worked towards with regard to signing T.I.E.A.s (tax information exchange agreements) and being a good neighbour by previous Governments, but we are endeavouring to comply with the 2005 law and we have done that.

Senator S.C. Ferguson:

Yes, we are going to protect Jersey’s unique constitution. Is the referendum going to do that for us?

The Chief Minister:

That is in the hands of the public.

The Deputy of St. Ouen:

We have spoken about the policy itself. What difference has the agreement of the policy within the Council of Ministers made to the undertaking of external relations given that there was not a policy previously?

The Chief Minister:

Well, it makes it clear for the first time the policy that the Chief Minister and the new Minister for External Relations will be working towards, and that has been agreed by the Council of Ministers.

Senator S.C. Ferguson:

Now, is it going to be very much like the Foreign and Commonwealth Office in the U.K., which is that you have good relations with everybody? Have you provided for winning battles on Jersey's behalf rather than the F.C.O. (Foreign and Commonwealth Office) approach?

The Chief Minister:

Well, I would not necessarily concur with your analysis of the F.C.O. approach. I would take the view that it is only through good relations and diplomacy that you win battles, as you put it, and get Jersey's view out there and are able to defend Jersey's position. If you do it from any other position of not endeavouring to make friends and build relationships, then one of your greatest weapons, if I might call it that, is taken from you.

The Deputy of St. Ouen:

Given, as I say, the emphasis that you are placing on external relations and one of the aims of the proposal is to establish a single recognisable representative at ministerial level, why do you not believe that the Chief Minister can fit the bill or is up to the task?

The Chief Minister:

Let us be quite clear, I have been in this office now for probably 15 months and it has become apparent to me throughout those 15 months - and I have said it on more than one occasion - that our current system does not work in Jersey's best interest. You can sit across the table and ask me a question the premise of which is that I am the Prime Minister of Jersey. I am not. I currently under the law am the Chairman and that is the power I have over the Council of Ministers.

[15:00]

Yet you and I believe probably the majority of States Members and certainly the majority of our community believe something else is the legal position. It is not, but I intend to work to put that right so that you can rightly ask me that question. But my answer would be, if I had those powers,

no one person can fulfil all the jobs, and the job of a leader is to put around themselves those people who are better than themselves to do the job so that the job is undertaken and we are represented in the very best way that we can be for everyone's best interest. That is what I am trying to do and I make no apology for that.

Senator S.C. Ferguson:

Yes, there are particular talents that one looks for in a Minister for External Affairs. I would suspect that they are not thrown up very often by the Members of the States. At this point in time, we are in the position where such a person exists, but are we tying ourselves to a situation where in 5 years' time this might not exist? Is that what we should be doing?

The Chief Minister:

I suppose that is a question for the community at large and we know that one of the reasons that we are trying to deliver political reform is to ensure that we have good quality candidates standing for public office because never has that been more important than it is today.

Assistant Chief Minister:

I do not think, if I may, having carried out the role of conducting external relations as an Assistant Minister, that there is any particular magic about the task. You need to have a certain amount of common sense. You need to have a certain amount of charm or at least pretend that you have charm from time to time in dealing with representatives of foreign countries, and you need to have an understanding of what it is that you are seeking to achieve on Jersey's behalf. There is no particular magic in it.

The Deputy of St. Ouen:

We fully understand that and I am grateful to you for pointing that out to us. I think that given what the Minister said earlier about the challenges he faces currently in this consensual approach within the Council of Ministers and the position being corporation sole, I am struggling to understand that you would not prefer to deal with that first rather than create another tension and a problem by having a Minister for External Relations who is supposed to be or I presume the role will be to deliver a policy of the Council of Ministers which is agreed with 10 individuals that the Chief Minister has little control over.

Assistant Chief Minister:

Can I just say that it will be a matter for the States in due course as to whom to appoint as the Minister for External Relations, but insofar as my experience over the last 15 months is concerned, there have been absolutely no tensions whatsoever between the Chief Minister and myself in the joint conduct of these matters. In fact, later this year we are making a trip to the Far East in order

to try to open doors in China for Jersey business and the Chief Minister, it is intended, should go to two particular cities and I would follow him and go to two other cities in order to open doors and to enable trade to follow. I think for a single Chief Minister to be expected to do this would probably be quite difficult.

The Deputy of St. Ouen:

I am pleased to hear that the relationship between yourself and the Chief Minister is good, but I equally know that the previous Chief Minister did not necessarily have a problem with an Assistant Minister undertaking external relations but equally had concerns over the roles and responsibilities of individual Ministers that were sitting on the Council of Ministers. I suppose the point that I was asking the Chief Minister was that given that those tensions already exist, why add to them and why not deal with the problems first and continue in the current vein until he has confidence that as Chief Minister he has the control and accountability that he definitely would wish to have? Chief Minister, would you like to make a comment?

The Chief Minister:

Where to start? I am of the view, as I have just said, that this is a piece of corrective action and I would like to see it corrected as soon as possible. The issue with regard to the collective responsibility around the Council of Ministers' table, the power of the Chief Minister, I am in the process of correcting those as well. I do not think I should wait to correct one before I start correcting another. We do not get enough done in a 3-year term as it is, but we get even less done if we just had one problem and tried to solve it and then waited and did another. There are lots and lots of issues which we are bringing forward amendments to legislation, changes to departmental structure, changes to the way we govern, every day, all the time. That is exactly what I think you would expect of Government.

The Deputy of St. Ouen:

But how would you answer the criticism that this is just shuffling deck chairs on the Titanic and you are better to fix the hole in the side of the ship before you shuffle the deck chairs round further?

The Chief Minister:

I am doing both.

Deputy S. Power:

And it is not the Titanic.

The Chief Minister:

It is not the Titanic at all.

Deputy S. Power:

I was just going to lead on, Chief Minister, to the possible relationship between a new Minister for External Relations and the Chief Minister. In relation to my previous question, the previous Chief Minister has written to us and has expressed his views and, indeed, made some forthright comments. How do you think it would work in reality with the Chief Minister and the Minister ...

The Chief Minister:

Dare I ask which previous Chief Minister?

Deputy S. Power:

The immediate predecessor. **[Laughter]**

The Chief Minister:

Once again, I do not have the benefit of that submission.

Deputy S. Power:

No. How would it work in reality that the Chief Minister and the Minister for External Relations be concurrently responsible for external relations? How do you see that relationship working? You have touched on some of it already. You gave China as an example.

The Chief Minister:

Yes, I think it works well and I see no reason why it should not continue to do so. It is impossible for a Chief Minister to get to London and around Europe at the frequency which is today required of any modern jurisdiction. Therefore, one needs to have a senior Minister associate undertaking those pieces of work. So if the past 18 months is anything to go by, I do not think that will be a problem at all. However, up until the point which the Deputy of St. Ouen makes about changing the powers of the Chief Minister, then we will have the processes in place which currently exist to mediate any problems should they so arise, but I do not see them arising.

Deputy S. Power:

What would happen, Chief Minister - it is probably an unfair question - if your successor decided to conduct external relations alone and would not wish to share responsibility? Is there going to be a contingency in the structure of this?

The Chief Minister:

Well, yes, my successor; let us not think too much about that at this point **[Laughter]**. I have lots of work that I would like to continue doing, certainly for the term of this Government. If I give you an honest answer, I do not believe that the volume of work which now requires to be undertaken is

going to reduce. It is only going to increase and that cannot be undertaken by one Chief Minister. Perhaps it could in the past, as we said earlier in our conversation, but I do not believe it can today and that is only going to be increasingly the case.

Deputy S. Power:

My reference to successor was in relation to at some time in the distant future.

Senator S.C. Ferguson:

Next week. [Laughter] Sorry.

The Chief Minister:

Thank you, Chairman.

Deputy S. Power:

I had better move on swiftly. What consultation have you undertaken with the Privileges and Procedures Committee in developing these proposals?

The Chief Minister:

I think we have written to them and I am due to appear before them, hopefully in slightly more cordial terms than we have this afternoon ... is it next week or the week after?

Director of International Affairs:

It is next week.

The Chief Minister:

Yes.

Senator S.C. Ferguson:

That is unfair, Minister. We have been very cordial. [Laughter]

Deputy S. Power:

We have had reference earlier on in the meeting from Philip about the Bailiff being the civic head. What impact do you think there might be on the appointment of a Minister for External Relations on the role of the Bailiff given that he does appear to be involved?

The Chief Minister:

Perhaps I should hand that over to an expert, but I have to say I see no impact whatsoever.

Assistant Chief Minister:

No, I entirely agree with the Chief Minister. In fact, the conduct of external affairs is not the job of one person. I really ought to make that absolutely clear. The conduct of external affairs is a collective effort and the Chief Minister obviously has ultimate responsibility for that, but the Minister for Treasury and Resources also conducts external affairs in terms of international finance. The Minister for Economic Development conducts external affairs in trying to encourage trade and to encourage inward investment. Equally, the Bailiff and the Lieutenant Governor have responsibilities in terms of visiting dignitaries, particularly ambassadors and high commissioners. We certainly want to do nothing that would change that particular aspect of the responsibilities of those two officers. It is customary for the high commissioner or ambassador to stay at Government House so obviously that continues. So far as the Bailiff is concerned, he is our civic head. It is customary for the Bailiff to host a dinner in honour of the ambassador or high commissioner, and that would not change either. Since the previous Chief Minister set up an Assistant Minister with a responsibility for external relations, the day-to-day responsibility for organising these visits has very much been devolved. It used to be done, and I can say this with experience, much more by the Bailiff's Chambers, but since 2011 it has been done to a much greater extent by the external relations section in the Chief Minister's Department.

Deputy S. Power:

In terms of official channels of communication or official channels of correspondence, what would change?

The Chief Minister:

I cannot immediately think that anything will change because those channels will remain.

Director of International Affairs:

Nothing would change.

Deputy S. Power:

So when you explain the different levels and the different avenues of pathways for foreign communications, this would be just another official channel of correspondence and communications?

The Chief Minister:

Do you want to just talk about the official channel for a moment?

Director of International Affairs:

Indeed. The official channel of communications is used for matters relating to the sovereign or the Crown and this change does not make any difference to that. So for the communication of honours and awards, that would still go via the official channel from the Governor through to Buckingham Palace and those official channels to the sovereign are not really affected.

The Deputy of St. Ouen:

With regard to the fact that we are a Crown Dependency, I understand perhaps some of the reasoning behind why you seek to create this Foreign Minister role because it is recognised in other countries and jurisdictions. But there are also challenges with our unique Government and system of government. How do you believe that the creation of a Foreign Minister will address all of the other surrounding issues and the responsibilities that are acknowledged, as the Assistant Minister has previously pointed out, are undertaken by these other individuals, including the Bailiff and the Lieutenant Governor?

The Chief Minister:

When you say address I am not quite sure what you are asking.

The Deputy of St. Ouen:

Understood, maybe, understood perhaps is a better word than addressed.

The Chief Minister:

Will this help external individuals or countries to understand Jersey? Well, actually, it probably will because we are creating a system which complies with international norms so that when Senator Bailhache goes off and makes a visit the receiving Government or ambassador or official will understand Senator Bailhache's role within the Jersey Government rather than currently the idea of an Assistant Chief Minister that is not well understood.

Senator S.C. Ferguson:

Given that we are, like a number of offshore finance centres, under fire from the mainland, how is this going to assist?

The Chief Minister:

I am not sure what you mean when you use the term "mainland".

Senator S.C. Ferguson:

Well, the E.U. (European Union), the U.K.

The Chief Minister:

From the United Kingdom, okay.

[15:15]

Senator S.C. Ferguson:

It is internationally, in fact.

The Chief Minister:

Well, it comes back to that point. Of course, those particular issues do need to be addressed by the collective, so the Chief Minister, the Minister for Treasury and Resources, the Minister for Economic Development and the Minister for External Relations, but it comes back to those individuals. When Senator Bailhache meets with them they will understand his position within the Jersey Government and that he is speaking with Cabinet or Council of Ministers level of seniority and, therefore, that will help people to understand the position that he is speaking from when he is endeavouring to correct some of those misconceptions.

Assistant Chief Minister:

The conduct of external affairs, the conduct of foreign affairs, is really quite hierarchical and although hierarchy may not matter quite so much in Europe or in the United Kingdom, in some parts of the world, particularly in the Gulf and in the Far East, it makes a great deal of difference as to the doors which a visiting dignitary is able to open what position he or she occupies. I hope I am not speaking out of turn, but I will give you an example of that, if you like. When I went to visit the Gulf very soon after being appointed by the Chief Minister as Assistant Minister, there was a great deal of concern among officials as to whether the fact that I was an Assistant Minister rather than a Foreign Minister was going to adversely affect our chances of being able to meet the people that we wanted to meet. It was even suggested that my business card, which was going to be in English on one side and in Arabic on the other, should say in Arabic "Minister for Foreign Affairs, Jersey." I declined that particular suggestion because that seemed to me to be dishonest, but it is illustrative, if you like, of the importance that people in such countries attach to the identity of the visitor who is coming to see them.

Senator S.C. Ferguson:

Excuse me a moment, I am sorry, I did not quite catch that. Was the discussion among Jersey officials or the officials at the other end?

Assistant Chief Minister:

Among Jersey officials and officials representing us in the Gulf countries. I do not want to go any further than that.

Senator S.C. Ferguson:

Okay. No, I just was not quite sure whether it was the other end saying: "Who is this fellow? Go away."

Assistant Chief Minister:

No, no.

Deputy S. Power:

Chief Minister, in relation to the appointment of the Minister for External Relations, do you see any change in your workload? Do you think your workload will reduce, will it be the same, will it have any effect? How do you perceive this change in status or change in responsibility, I should say?

The Chief Minister:

If you look at the regulations, you will see there are a number of changes there, particularly around international sanctions which come through O.E.C.D. (Organisation for Economic Co-operation and Development) and E.U., which land up on my desk for approval but are basically administrative. They will go with the new role, which cannot happen now. When it comes to involvement in policy direction and decision, when it comes to needing to make international trips, again I will still need to be involved for those very reasons that Senator Bailhache has just outlined. So last year we had a Minister for Treasury and Resources trip to the Gulf, Senator Bailhache went to the Gulf, and I am later this week going to the Gulf, because it is a hierarchical structure. Going to China later, early summer; again, we will do that together.

The Deputy of St. Ouen:

I suppose the question is then what risk is there that a new ministerial post is simply being created to meet the needs of our relationship with a few jurisdictions which actually we cannot ultimately necessarily speak to on our own behalf in certain circumstances because of our links still with the U.K.?

The Chief Minister:

I think we speak on our behalf very loudly and very clearly and that is right for us to do so. But be in no doubt, your first question, although you phrased it in terms of a few jurisdictions, it puts us in line with the international accepted standard of government representation and that is important.

Deputy S. Power:

Is the title important then as distinct from being an Assistant Chief Minister with responsibility for foreign relations or external relations, or being Deputy Chief Minister like the relationship between Tony Blair and John Prescott where there was a Prime Minister and a Deputy?

Senator S.C. Ferguson:

That is an unkind comparison. **[Laughter]**

Deputy S. Power:

I was talking about titles.

The Chief Minister:

I do not know which of us ought to be most insulted at the comparison. **[Laughter]**

Deputy S. Power:

Perhaps I should desist from this line of questioning, but in terms of titles, how important is the title, to get the title right: Deputy Chief Minister as distinct from a Minister? That is important in certain parts of the world I take it and it is not so important in other places?

The Chief Minister:

That is exactly right. It is important.

Deputy S. Power:

What is important in U.A.E. (United Arab Emirates) or important in Saudi or important in perhaps another place is not so defined in Germany or the United States?

The Chief Minister:

I think it is very important and although it may not be quite so important in Europe because European societies are not so hierarchical, it is still important. But bear in mind the international economic global trends. Where is wealth moving? Which jurisdictions are becoming more and more important in the world? They are those which are more hierarchical and with which Jersey knows it has to engage positively with more than it has done in the past. We have a strong relationship with the Gulf, but we need to continue building on it.

Deputy S. Power:

So the title of Minister is important in some jurisdictions as is the title of Senator, for instance, in the United States? **[Laughter]**

The Chief Minister:

That is a rather nice try, Deputy, but I am not going to get drawn into that. [Laughter]

Assistant Chief Minister:

I think I would like just to add, in case one gets too much of the wrong impression, that it is not just a question of a title. It is also a question of being seen, and this applies as much in Europe as it does to other parts of the world. Being seen that Jersey is attaching a greater importance than it did in the past to the conduct of foreign relations, and that is important with Germany and with France and with other European countries as well. If we take ourselves seriously in wanting to project our international identity for the benefit of the Island, then we have to be seen to be taking foreign affairs seriously.

Deputy S. Power:

That last question was actually asked in a light-hearted way and I think the Chief Minister answered it properly. Chairman, I am going to pass over to you now.

The Deputy of St. Ouen:

Can I ask just one question with regard to the role and the importance of the correct hierarchical representation that you continue to talk about? What conclusion should we draw from the fact that when individuals visit the Island generally they are of ambassador status and not above that particular position?

Assistant Chief Minister:

I am sorry, Deputy, I am not sure that I understand that question.

The Deputy of St. Ouen:

Well, I am aware that we welcome regularly many ambassadors from around the world representing different countries. We do not necessarily welcome many top officials from their respective governments, although we are suggesting that in our case we need to do something slightly different to what we seem to be seeing happening when people visit our Island. I suppose I am just asking what conclusions could be drawn, if any, from that sort of situation. Is it the case that perhaps other jurisdictions are not placing the importance that we do on external relations and the arrangements and agreements that we are seeking to achieve?

Assistant Chief Minister:

I do not think that one can draw any distinction like that. If one looks at the United Kingdom as an example, because that is much closer to us and we have a better idea of what Ministers in the U.K. do, one quite frequently sees the Prime Minister and the Foreign Minister going abroad on

trips in order to drum up support for British industry and accompanied by numbers of businessmen. The last one that comes to mind is the trip that Mr. Cameron and I think the Foreign Secretary took to India in order to improve the opportunities for British business in India. The fact that we do not get many Ministers coming to Jersey, apart from United Kingdom Ministers, I do not think is significant because the representative of a foreign country outside that country is the ambassador to the Court of St. James and we fall within the ambit of the United Kingdom for constitutional purposes and, therefore, it is right that the ambassador for that country, who is the highest representative, if you like, of that country in the United Kingdom, should pay us a visit.

Senator S.C. Ferguson:

So we cannot expect to see higher officials of foreign governments like a Minister for Foreign Affairs or the Prime Minister or the Chancellor or whatever coming over here at all?

Assistant Chief Minister:

I think it depends. We have occasionally had visits from heads of state. The President of Nigeria paid us a visit; the President of Rwanda paid us a visit, on each occasion for very particular reasons. We have had senior Senators from the French Finance Commission coming to Jersey to talk about their particular concerns and their particular wishes to understand what Jersey is doing in the context of financial services. I would not rule it out that we might get Ministers from Germany coming to pay us a visit, but primarily it is going to be the diplomatic representative.

Senator S.C. Ferguson:

Right. One last question: the proposals have been described as being cost neutral. However, external relations have also been described as a growth area. How likely is it that further resources will be required in due course? Or are we just going to deduct it from your budget, Chief Minister?

The Chief Minister:

As you know, the Medium-Term Financial Plan put in place monies for the international section of the department and it is proposed that they will work within those budgets as agreed by the States. Any Minister after that who is seeking to ask for growth monies, although I am sure that that would not be the current Assistant Minister, will have to make a very, very strong case indeed.

Senator S.C. Ferguson:

Yes, because it is only a couple of years since I think it was just the Assistant Minister and the Director and another in the department, and it has trebled, I think, since then.

Director of International Affairs:

Not quite. The big change was proposed by Frank Walker, almost one of his last acts I think when he was Chief Minister, and was introduced in the Annual Business Plan 2009. The resources have stayed more or less at the same level since the Business Plan 2009 until the Medium-Term Financial Plan, which then agrees an increase primarily for the London office.

The Deputy of St. Ouen:

I think the Chief Minister when he first spoke said that he was quite happy to provide us with further detail, especially around resources. It would be useful to get a clear picture of not only the development of this foreign relations department that is currently sitting within the Chief Minister's Department, but actually forecast spends - I do not know whether the information can be drawn out of a Medium-Term Financial Plan - and perhaps in addition some indication of what expectation with regards resources would be required in the next 16, 17 and 18 phases. Because I am sure that if we are increasing the priority, raising the profile of external relations, we must have a very clear idea about the sort of areas that we would like to develop given that we can have and create this ministerial position.

Senator S.C. Ferguson:

For instance, just as a sort of P.S. (postscript) to that, will we be looking at things like a New York or Washington representative office now that we have a London and Brussels one?

[15:30]

The Chief Minister:

Be in no doubt ...

Senator S.C. Ferguson:

Can I apply? [Laughter]

The Chief Minister:

... that the United Kingdom ...

Director of International Affairs:

... the Chairwoman's bottom line here ... [Laughter]

The Chief Minister:

Exactly, and never quite so openly ... [Laughter]. Be in no doubt that our relationship with the United Kingdom is our most important political and economic relationship, and I believe that by

opening a London office we are just correcting once again an area that we should have been operating in previously. That does not mean to say we have plans to open offices around the world. We are putting right a situation that should not have been in my opinion because we are going to have to continue to work at that relationship. It comes back to some of your points right at the start about building good relationships and how important that actually is. But to come back to the Deputy of St. Ouen's point, this proposal is cost neutral. The States have already agreed the spending envelope for the International Affairs Department, which I know you will be pleased to hear.

Senator S.C. Ferguson:

Great, thank you very much indeed, and I hope you will give a few thoughts to winning battles as well as establishing good relations. **[Laughter]** There has been a lot about ...

The Chief Minister:

We do, but we are diplomatic.

Senator S.C. Ferguson:

Absolutely. Thank you very much indeed, Chief Minister, Assistant Chief Minister and Director.

The Deputy of St. Ouen:

Do you want to close the meeting?

Senator S.C. Ferguson:

I am just closing it, yes. Do you have another question?

The Deputy of St. Ouen:

No, I am just saying you need to ...

Senator S.C. Ferguson:

Well, I think when I am saying thank you ...

The Deputy of St. Ouen:

Oh, okay.

Senator S.C. Ferguson:

Do you mind? Where is my walking stick?

The Deputy of St. Ouen:

Just reminding you, Chair.

Senator S.C. Ferguson:

Yes, I need it occasionally, I am sorry. Thank you very much indeed, everybody, and that concludes our meeting.

The Chief Minister:

Thank you, Chairman. We will see you tomorrow.

Senator S.C. Ferguson:

Not unless I see you first.

[15:32]