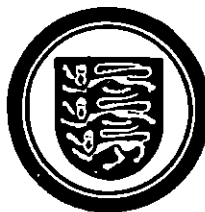


adopted 30 3 82

**OVERSEAS TRADE PROMOTIONS BY LOCAL INDUSTRY:
FINANCIAL ASSISTANCE.**

Lodged au Greffe on 2nd March, 1982 by the
Finance and Economics Committee.



STATES OF JERSEY

STATES GREFFE

PROPOSITION.

THE STATES are asked to decide whether they are of opinion -

to agree, in principle, that the Finance and Economics Committee should, at its discretion, support local firms engaged in manufacturing goods for export by assisting with particular trade promotional activity, where it is satisfied that the result is likely both to support existing, and to create new, job opportunities in the Island.

NOTE: In the event of the States adopting the Proposition, the Committee will seek the grant of an additional vote of credit in the sum of £25,000 at the April Supply Day.

FINANCE AND ECONOMICS COMMITTEE.

REPORT.

1. The Finance and Economics Committee has been giving consideration to the possibility of assisting local firms engaged in manufacturing and craft industry with the cost of overseas trade promotion and related activities. Some firms in the Island manufacturing for export, particularly the smaller ones established with local initiative, may not have the resources to develop the full potential of overseas markets, and the Committee has given thought to whether the States might usefully offer assistance to such firms and thereby help create additional local job opportunities.

2. The Committee in considering in what way help might best be given to local firms has had regard to the following points -

- (i) considerable assistance with trade promotion is already provided to the Island's other export industries of Agriculture and Tourism;
- (ii) in the past local manufacturing firms have been able to take advantage of the help provided by the British Overseas Trade Board, but this assistance is no longer available to Jersey firms;
- (iii) the State of Guernsey Advisory and Finance Committee last year announced its intention of assisting firms with trade promotion, and in November the Isle of Man Industrial Advisory Council also announced the introduction of grant aid towards the cost of new marketing ventures. In a notice sent out to all local companies in the manufacturing sector, the Industrial Advisory Council states that it recognised "that marketing, and particularly overseas marketing, can be a costly exercise in the initial stages entailing possible expenditure on such items as travel costs, setting up of agencies and distributors, showing at exhibitions etc. The Council is willing to give grant aid to what are considered to be meaningful marketing ventures, especially when it can be shown that the effort is in respect of a potential new market";

- (iv) the Committee is aware of interest having been shown overseas in local craft products, but for this interest to be developed, and translated into firm orders, considerable marketing costs are likely to be faced.

3. The Committee believes that, providing it can first be satisfied, through comprehensive reports prepared by the firms concerned, that there is market potential overseas for locally produced goods, the offer of assistance with the cost of overseas trade promotion and related activities could be a useful, and rewarding, way of supporting local firms engaged in manufacturing goods for export, and particularly those small firms established with local initiative. With this in mind the Committee is seeking the approval of the States to the allocation of £25,000, to be used at the discretion of the Committee to assist particular trade promotional activity, where it is satisfied that the result is likely both to support existing, and create new, job opportunities in the Island. In this respect, the Committee proposes to invite possibly two businessmen, with experience of selling overseas, to assist in the evaluation of any proposals presented by local firms. The Committee would intend to present regular reports to the States detailing the use to which the funds had been put, so that members can themselves assess the benefits obtained from the operation of this scheme before agreeing to the allocation of any further sums of money for this purpose.