

**THE STATES assembled on Thursday,
6th December 2001 at 9.30 a.m. under
the Presidency of the Bailiff,
Sir Philip Bailhache.**

All members were present with the exception of -

Senator Wendy Kinnard - ill
Senator Paul Vincent Francis Le Claire - absent
Alan Simon Crowcroft, Deputy of St. Helier - absent

Prayers

Budget 2002

THE STATES resumed consideration of the Budget.

THE STATES allowed the Comptroller of Income Tax and the Deputy Agent of the Impôts to be present in the Chamber during the debate.

THE STATES commenced consideration of 2002of the estimates of income to be produced from taxation appearing on page 2 of the budget, and rejected an amendment of Senator Leonard Norman that the estimates of income should be reduced to read as follows -

	£	New Estimate
Spirits	214,000	3,691,000
Wine	558,000	3,859,000
Cider	94,000	321,000
Beer	984,000	3,218,000
Tobacco	1,714,000	10,967,000
Fuel	2,658,000	11,731,000
Customs		250,000
TOTALS	6,222,000	34,037,000

Members present voted as follows -

“Pour” (10)

Senators

Quérée, Norman.

Connétables

Grouville, St. Martin, Trinity, St. Brelade, St. Mary.

Deputies

G. Baudains(C), Dorey(H), Fox(H).

“Contre” (39)

Senators

Horsfall, Le Maistre, Stein, Bailhache, Syvret, Walker, Le Sueur, Lakeman.

Connétables

St. Helier, St. Ouen, St. Saviour, St. Lawrence, St. John, St. Peter.

Deputies

H. Baudains(C), St. Mary, S. Baudains(H), Trinity, Duhamel(S), Routier(H), Layzell(B), Breckon(S), Grouville, Huet(H), St. Martin, St. John, Le Main(H), Vibert(B), St. Peter, Dubras(L), St. Ouen, Troy(Voisin(L), Scott Warren(S), Farnham(S), Le Hérisssier(S), Ozouf(H), Bridge(H), Martin(H).

THE STATES rejected an amendment of Deputy Alan Breckon of St. Saviour that the proposed increase on fuel duty be reduced from five pence per litre to two pence per litre, the revised figures being as follows -

	Reduction from figure shown on page 2 of the Budget Book	New Estimate
Fuel	£1,594,800	£12,794,200
REVISED TOTAL INCOME FROM INDIRECT TAXATION		£38,664,200

Members present voted as follows -

“Pour” (12)

Senators

Norman.

Connétables

Grouville, St. Martin, St. Brelade, St. Mary.

Deputies

Breckon(S), Huet(H), St. Martin, St. John, G. Baudains(C), Fox(H), Martin(H).

“Contre” (30)

Senators

Le Maistre, Stein, Quérée, Bailhache, Walker, Le Sueur, Lakeman.

Connétables

St. Ouen, St. Saviour, St. Lawrence, St. John, St. Peter.

Deputies

H. Baudains(C), St. Mary, S. Baudains(H), Trinity, Duhamel(S), Routier(H), Layzell(B), Le Main(F), Vibert(B), St. Peter, Dubras(L), St. Ouen, Voisin(L), Scott Warren(S), Farnham(S), Le Hérissier(S), Ozouf(H), Bridge(H).

THE STATES agreed the estimates of income as follows -

	£	
Impôts on spirits	3,905,000	
Impôts on wines	4,417,000	
Impôts on cider	415,000	
Impôts on beer	4,202,000	
Impôts on tobacco	12,681,000	
Impôts on motor fuel	14,389,000	
Impôts on goods imported	<u>250,000</u>	40,259,000
Income Tax		359,000,000

THE STATES adopted in second reading a Bill to prescribe the standard rate of income tax for the year 2002; to amend further the Income Tax (Jersey) Law 1961 regarding relief for child care and to abolish Schedule C; and to amend further the Customs and Excise (Jersey) Law 1999 so as to increase duty on alcoholic beverages, tobacco and hydrocarbon oils.

The said Bill was lodged "au Greffe" in second reading.

THE STATES, in pursuance of Article 25 of the Public Finances (Administration) (Jersey) Law 1967, as amended, have declared that the Bill to prescribe the standard rate of income tax for the year 2001; to amend further the Income Tax (Jersey) Law 1961 regarding relief for child care and to abolish Schedule C; and to amend further the Customs and Excise (Jersey) Law 1999 regarding excise duty on alcohol, tobacco and hydrocarbon oils (which Bill has this day been lodged "au Greffe") shall immediately have effect as if it were a Law passed by the States and sanctioned by Her Majesty in Council.

THE STATES, having terminated the discussion on the Budget, agreed the summary of the estimated income and revenue expenditure for 2002 appearing on page 71 of the Budget as follows-

INCOME	£	£	£
Income Tax			359,000,000
Impôts Duties			40,259,000
Interest Income			5,000,000
Return from the Financial Services Commission			3,700,000

Trading Committees

Expenditure	86,567,000
Income	113,863,400

	27,296,400	
Estimated Transfer to Trading Funds	20,189,700	
Net Revenue Expenditure return from Trading Committees		<u>7,106,700</u>
		415,065,700

LESS

Non-Trading Committees

Revenue expenditure	443,795,890	
Revenue Income	<u>82,810,090</u>	
Total Non-Trading Committee Cash Limited	360,985,800	
Appropriation to General Reserve	14,333,000	
Total Net Revenue Expenditure of Non-Trading Committees before Capital Servicing	-	375,318,800

Capital Servicing

Repayment of Capital Debt	28,000,000	
Interest received on Capital Debt	693,300	
Net Capital Repayments		27,306,700
Total Net Revenue Expenditure of Non-Trading Committees after Capital Servicing		<u>402,625,500</u>
Estimated Surplus on General Funds for the Year		12,440,200

Less:

Estimated Surplus/Deficit in General Funds brought forward at 1st January 2002		(37,273,500)
Deficit to be funded by transfer to income from the Capital Fund		<u>(24,833,300)</u>

THE STATES further agreed the estimated transactions of the capital fund for 2002 as follows -

	£	£	£
Revised estimate of balance in hand at 1st January 2002			78,812,600
Transfer to Strategic Reserve			-
Capital repayments and receipts			29,325,400
Transfer to the income of the revenue account			(24,833,300)
Capital Expenditure as recommended by the Finance and Economics Committee	47,009,000		
Less: Projects funded by Loan sanctions	<u>(3,000,000)</u>		
		44,009,000	

Add:

Loan sanction repayments	5,000,000	<u>49,009,000</u>
--------------------------	-----------	-------------------

Estimated balance in hand at 31st December 2002		£34,295,700
--	--	--------------------

Draft Amendment (No. 26) to the Tariff of Harbour and Light Dues- P.171/2001

THE STATES, in pursuance of Article 6 of the Harbour and Light Dues (Jersey) Law 1947, as amended approved the draft Amendment (No. 26) to the Tariff of Harbour and Light Dues.

Draft Amendment (No. 27) to the Tariff of Harbour and Light Dues- P.172/2001

THE STATES, in pursuance of Article 6 of the Harbour and Light Dues (Jersey) Law 1947, as amended approved the draft Amendment (No. 27) to the Tariff of Harbour and Light Dues.

Draft Boats and Surf-Riding (Control) (Amendment No. 21) (Jersey) Regulations 200 P.173/2001

THE STATES, in exercise of the powers conferred on them by Article 4 of the Harbours (Administration) (Jersey) Law 1961, as amended, made Regulations entitled the Boats and Surf-Riding (Control) (Amendment No. 21) (Jersey) Regulations 2001.

Draft Harbours (Amendment No. 33) (Jersey) Regulations 200 P.174/2001

THE STATES, in pursuance of Article 4 of the Harbours (Administration) (Jersey) Law 1961, as amended, made Regulations entitled the Harbours (Amendment No. 33) (Jersey) Regulations 2001.

Draft Road Traffic (No. 52) (Jersey) Regulations 200P.176/2001

THE STATES, in pursuance of the powers conferred on them by the Order in Council of the twenty-sixth day of December 1851 and Article 49 of the Road Traffic (Jersey) Law 1956, as amended, made Regulations entitled the Road Traffic (No. 52) (Jersey) Regulations 2001.

**Draft Public Service Vehicles (Fees) (Amendment No. 12) (Jersey) Regulations 200 P.177/2001
Comments - P.177/2001 Com.**

THE STATES, in pursuance of Articles 49A and 54 of the Motor Traffic (Jersey) Law 1935, as amended, made Regulations entitled the Public Service Vehicles (Fees) (Amendment No. 12) (Jersey) Regulations 2001.

**Draft Hire Cars (No. 11) (Jersey) Regulations 200P.178/2001
Comments - P.178/2001 Com.**

THE STATES, in pursuance of Article 22A of the Hire Cars (Jersey) Law 1964, as amended, made Regulations entitled the Hire Cars (No. 11) (Jersey) Regulations 2001.

Draft Shipping (Jersey) Law 200- P.162/2001

THE STATES commenced consideration of the draft Shipping (Jersey) Law 200- and adopted the Preamble and Articles 1 to 36.

Members present voted as follows on Article 36 -

“Pour” (32)

Senators

Stein, Quérée, Bailhache, Norman, Walker, Le Sueur, Lakeman.

Connétables

Trinity, St. Saviour, St. Brelade, St. Lawrence, St. Mary, St. Peter.

Deputies

St. Mary, Trinity, Duhamel(S), Routier(H), Layzell(B), Breckon(S), Huet(H), St. John, Vibert(B), St. Peter, Dubras(L), St. Ouen, Dorey(H), Voisin(L), Scott Warren(S), Le Hérisier(S), Fox(H), Brid (H), Martin(H).

“Contre” (8)

Senators

Le Maistre.

Connétables

Grouville, St. Helier, St. Clement.

Deputies

H. Baudains(C), St. Martin, G. Baudains(C), Troy(B).

Articles 37 to 202 and Schedules 1 to 10 were adopted.

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Shipping (Jersey) Law 2001.

Arrangement of future business

THE STATES, having rejected a proposition of Senator Jean Amy Le Maistre that any matters of public business outstanding from the next meeting on 11th December 2001 should be conducted on 12th December 2001, agreed to meet, if necessary, on 18th December 2001 for that purpose.

THE STATES agreed to defer consideration of the proposition of the House Committee regarding States members: part reimbursement of Class 2 social security contributions (P.169/2001 lodged “au Greffe” on 13th November 2001) and to consider it as the first item of public business on 15th January 2002.

Change in Presidency

The Bailiff retired from the Chair during consideration of the Budget 2002 and the meeting continued under the presidency of Miss Catherine Mary Newcombe, Greffier of the States. The meeting resumed after the lunch adjournment under the presidency of the Deputy Bailiff, Michael Cameron St. John Birt, Esquire and, during consideration of Part 4 of the draft Shipping (Jersey) Law 200, the Greffier of the States resumed the presidency.

THE STATES rose at 5.06 p.m.

C.M. NEWCOMBE

Greffier of the States.