

**THE STATES assembled on Tuesday,  
23rd April 2002 at 9.30 a.m. under  
the Presidency of the Deputy Bailiff,  
Michael Cameron St. John Birt, Esq.**

**His Excellency the Lieutenant Governor,  
Air Chief Marshal Sir John Cheshire, K.B.E., C.B.,  
was present**

All members were present with the exception of -

Senator Pierre François Horsfall - ill  
Senator Patricia Ann Bailhache - out of the Island  
John Baudains Germain, Connétable of St. Martin - out of the Island

Prayers read by the Deputy Bailiff

### **Subordinate legislation tabled**

The following enactment was laid before the States, namely -

**Telecommunications (Telephones) (Amendment No. 34) (Jersey) Order 2002 - R & O 31/2002.**

### **Privileges and Procedures Committee - appointment of members**

Senator Christopher Gerard Pellow Lakeman, President of the Privileges and Procedures Committee nominated for appointment as members of the Privileges and Procedures Committee -

Senator C. Stein  
Senator W. Kinnard  
Deputy H.H. Baudains of St. Clement  
Deputy C.J. Scott Warren of St. Saviour  
Deputy R.G. Le Hérisier of St. Saviour  
Deputy J.-A. Bridge of St. Helier

Deputy R.C. Duhamel of St. Saviour was proposed by Deputy T.J. Le Main of St. Helier.  
Deputy G.P. Southern of St. Helier was proposed by Senator S. Syvret.

THE STATES, having proceeded to a secret ballot the Deputy Bailiff declared the following results –

Deputy R.G. Le Hérisier of St. Saviour - 47  
Senator W. Kinnard - 44  
Deputy C.J. Scott Warren of St. Saviour - 41  
Deputy J.-A. Bridge of St. Helier - 41  
Deputy H.H. Baudains of St. Clement - 40  
Senator C. Stein - 33  
Deputy R.C. Duhamel of St. Saviour - 23  
Deputy G.P. Southern of St. Helier - 13

The Deputy Bailiff accordingly declared that the following had been elected members of the Privileges and Procedures Committee –

Senator C. Stein  
Senator W. Kinnard

Deputy H.H. Baudains of St. Clement  
Deputy C.J. Scott Warren of St. Saviour  
R.G. Le Hérisier of St. Saviour  
J.-A. Bridge of St. Helier

### **Special Committee on the Composition and Election of the States - appointment of members**

Deputy Michael Edward Vibert of St. Brelade, President of the Special Committee on the Composition and Election of the States, nominated for appointment as members of the Special Committee on the Composition and Election of the States -

Senator L. Norman  
Connétable of St. Lawrence  
Deputy of St. Mary  
Deputy of St.Ouen.

Deputy R.C. Duhamel of St. Saviour was proposed by the Deputy of St. John.  
Senator P.V.F. Le Claire was proposed by Senator J.A. Le Maistre.

THE STATES having proceeded to a secret ballot, the Deputy Bailiff declared the following results –

Deputy of St. Ouen - 46  
Connétable of St. Lawrence - 42  
Senator L. Norman - 39  
Deputy of St. Mary - 29  
Deputy R.C. Duhamel of St. Saviour - 22  
Senator P.V.F. Le Claire - 18

The Deputy Bailiff accordingly declared that the following had been elected members of the Special Committee on the Composition and Election of the States Assembly –

Senator L. Norman  
Connétable of St. Lawrence  
Deputy of St. Mary  
Deputy of St. Ouen

### **Matters presented**

The following matters were presented to the States -

**Financial Report and Accounts 2001.**

Presented by the Finance and Economics Committee.

**Administrative Decisions (Review) (Jersey) Law 1982, as amended: report of the Administrative Appeals Panel for the year 2001- R.C.15/2002.**

Presented by the Special Committee to consider the relationship between Committees and the States.

**St. Helier Waterfront: lease and sale of land to Waterfront Enterprise Board Limited (P.45/2002) - comments - P.45/2002 Com.**

Presented by the Finance and Economics Committee.

**“Airport 2020”: Masterplan.**

Presented by the Harbours and Airport Committee.

**St. Helier Waterfront: lease and sale of land to Waterfront Enterprise Board Limited (P.45/2002) - comments - P.45/2002 Com.(2).**

Presented by the Planning and Environment Committee.

THE STATES ordered that the said reports be printed and distributed.

## **Matters noted - land transactions**

THE STATES noted an Act of the Finance and Economics Committee dated 17th April 2002 recording the following decisions of the Treasurer of the States under delegated powers, in pursuance of Standing Orders relating to certain transactions in land -

- (a) as recommended by the Planning and Environment Committee, the renewal of the lease to Mrs. Linda Culkin, née Munroe, of the property known as the First Tower Kiosk, St. Helier, for a period of three years deemed to have commenced on 25th December 2000, at a commencing annual rent of £6,000, to be increased in December 2001 to £7,000 and in December 2002 to £8,000, with all other terms and conditions to remain the same as in the existing lease, and on the basis that each party will be responsible for its own legal costs arising from this transaction;
- (b) as recommended by the Harbours and Airport Committee, the lease to Mr. David Neil Cowburn of St. Catherine's Tunnels, St. Martin, for a period of three years from 1st January 2002, at an annual rent of £3,000, subject to annual review in line with the Jersey Retail Price Index;
- (c) as recommended by the Public Services Committee, the assignment from Mr. Gabriel De Silva Rodrigues and Elizabeth Rodrigues, née de Freitas, to Mr. Manuel Tomas Romao and Mrs. Maria Fatima Nunes Romao, née Nunes, of the nine-year lease entered into with effect from 1st January 1999 at a current annual rent of £18,000 in respect of the Howard Davis Park Tea Rooms, St. Saviour, following the submission by Mr. and Mrs. Romao of satisfactory trade, personal and financial references, on the basis that all legal fees incurred by the public as a result of the assignment would be met by the current lessees.

## **Matters lodged**

The following matters were lodged "au Greffe" -

**Housing Committee Strategic Policy Report 2002 - 2006 (P.2/2002): amendment - P.2/2002 Amd.**

Presented by Senator C. Stein.

**Optical appliances: sale of 'ready readers' - P. 55/2002.**

Presented by Deputy A. Breckon of St. Saviour.

**Draft Planning and Building (Amendment) (Jersey) Law 200-P.56/2002.**

Presented by the Planning and Environment Committee.

**Haut de la Garenne, St. Martin : approval of drawings- P.57/2002.**

Presented by the Planning and Environment Committee.

**5-7 Newgate Street, St. Helier: purchase of land- P.58/2002.**

Presented by the Health and Social Services Committee.

**Draft Public Elections (Jersey) Law 2002 (Appointed Day) Act 200- P.59/2002.**

Presented by the Legislation Committee.

**Draft Public Elections (Jersey) Regulations 200- P.60/2002.**

Presented by the Legislation Committee.

## **Arrangement of public business for the meeting on 14th May 2002**

THE STATES confirmed that the following matters lodged "au Greffe" would be considered at the meeting on 14th May 2002 -

Proposed Race Discrimination (Jersey) Law.

Lodged: 5th March 2002 P.32/2002.

*Legislation Committee.*

Proposed Race Discrimination (Jersey) Law (P.32/2002): comment - P.32/2002 Com.

Presented: 26th March 2002.

*Human Resources Committee.*

Proposed Race Discrimination (Jersey) Law (P.32/2002): comments - P.32/2002 Com.(2).

Presented: 9th April 2002.

*Finance and Economics Committee.*

Confiscation of Alcohol: Introduction of Legislation - P.46/2002.

Lodged: on 26th March 2002.

*Deputy of St. Martin.*

La Collette, St. Helier, Phase II: transfer of administration P.51/2002.

Lodged: 17th April 2002.

*Public Services Committee.*

Draft Public Markets (Administration) (Amendment) (Jersey) Regulations 200- P.53/2002.

Lodged: 17th April 2002.

*Industries Committee.*

Optical appliances: sale of 'ready readers' - P.55/2002.

Lodged: 23rd April 2002.

*Deputy A. Breckon of St. Saviour.*

5-7 Newgate Street, St. Helier: purchase of land - P.58/2002.

Lodged: 23rd April 2002.

*Health and Social Services Committee.*

THE STATES noted that, in accordance with Standing Order 22(3) the President of the Planning and Environment Committee had instructed the Greffier of the States to withdraw the proposition regarding Sunburst Investments Ltd. (JMT (1987) Ltd.): lease of land at La Collette II, St. Helier (lodged "au Greffe" on 4th July 2001).

**Findings of the Code of Conduct group established to examine potentially harmful tax measures in EU member States - question and answer** (Tape No. 732)

Senator Paul Vincent Francis Le Claire asked Senator Pierre François Horsfall, President of the Policy and Resources Committee, the following questions -

“Pursuant to the EU proposals contained in package to tackle harmful tax competition in the European Union, the Code of Conduct group established to examine potentially harmful tax measures in EU member States, chaired by the U.K. Paymaster General, Ms. Dawn Primarolo has prepared a report which identifies four measures -

tax exempt companies  
international treasury operations  
international business companies, and  
captive insurance companies.

Would the President advise members -

- (a) of the position on the findings of the Code of Conduct Group, and whether the findings will have an effect on Jersey?
- (b) whether any action is proposed as a result of the findings which will affect the above types of companies?

- (c) when the deadline is, or the closing date that has been agreed with Britain and its partners, in relation to the findings i.e. is it still the 31st of December 2002?
- (d) whether he is prepared to provide the text of the findings in relation to Crown Dependencies and advise whether they indicate in writing that the UK Government is committed to “encouraging”, or that it is committed to “ensuring”, our co-operation in adopting remedies for the measures that infringe the principles set out in the Council resolution? If the wording has changed to “ensuring”, would he explain how this change has come about and what the significance of this new wording is?
- (e) if it is anticipated that Jersey will fall into line with the UK government’s understanding that Jersey will adopt the same measures as those contained in the draft Council Directive to ensure effective tax of savings income in the form of interest payments within the Community?
- (f) whether Jersey’s position is one that can be safeguarded?”

Senator F.H. Walker, Vice-President of the Policy and Resources Committee, in the absence of the President, replied as follows -

“If I may I shall take all seven sections of the Senator’s question together, for they are all interrelated. I refer the Senator in particular to the Statement on the EU Tax Package that Senator P.F. Horsfall gave last week and to the background note by the Policy and Resources Department circulated then.

The Code of Conduct Group’s report listed the four Jersey tax measures to which the question refers as being ‘harmful’ according to the principle laid down in the Code of Conduct against different tax treatment of non-residents compared with residents. The key language to which the Senator refers is in the Code of Conduct itself, which is Annex 1 to the conclusions of the ECOFIN Council meeting on 1 December 1997 concerning taxation policy.

I have circulated to all members a copy of the 1997 Council conclusions and the relevant extract from the Code of Conduct Group’s Report, which was published in March 2000.

The wording of the Code is not quite as the Senator alludes. In it, the Member States committed themselves to **promoting** the adoption of the Code principles by third countries. By this is meant countries such as Switzerland and the USA, though no names are mentioned. As far as their dependent or associated territories were concerned, Member States committed themselves, first, to promoting adoption of the Code principles in territories to which the Treaty of Rome did not apply, and secondly, **in particular to ensuring**, within the framework of their constitutional arrangements, that the principles were applied in those dependent and associated territories.

Senator Horsfall emphasised in his statement last week the importance of the statement ‘within the framework of their constitutional arrangements’ but, as he also said, what we are now faced with is at its heart an economic, not a constitutional issue.

As regards our position on the Savings Tax Directive, to which the Senator refers in paragraph (e) of his question, I have nothing to add to what was set out in last week’s background note. We have said, without commitment, that we shall look at all the options and we have argued that, given the wording of the draft Directive, ‘same’ measures, for example, equally includes the withholding tax approach to be adopted for a transitional period of seven years by three Member States. The UK is pressing us for a commitment to automatic exchange of information and at this time this aspect of the matter remains open. We shall be guided by our best assessment of what is best for the continuing competitiveness of the Island’s economy.

As for the timing, the Community has given itself the target of agreeing the tax package by the end of 2002. There is no start date as such for the Code of Conduct. The principles of ‘standstill’ and ‘rollback’ in relation to so-called ‘harmful’ measures have already been accepted, and there is, an ongoing process of review and monitoring. The current draft of the Savings Directive envisages its entry into force from 1 January 2004 although the European Parliament has proposed an extra year’s delay. It is impossible to say whether this timetable will be met. Much depends on the progress of the Community’s negotiations with Switzerland and the USA. I understand that ECOFIN will be reviewing progress again on 4 June, when it

will also receive an updated report from the Code of Conduct Group. The issue for us is not so much any precise timetable as the economic and fiscal implications of any commitment once made by this Assembly, whatever happens later on to the EU's timetable.

Senator Horsfall made clear in his statement last week how significant the issues raised by the EU Tax Package are for Jersey, including the impact upon us of the UK Government's stance. As regards the Senator's question (f) all I can usefully say at this stage is that our whole strategy is directed towards safeguarding Jersey's position, in the sense of seeking outcomes that do not damage our economy. This may not be easy, possible to contemplate, without, over time, more fundamental changes in our tax structure than we have so far envisaged may be needed to address all the tax and spending challenges that we face."

#### **ANNEX OF 'HARMFUL' MEASURE: IN CODE OF CONDUCT GROUPS REPORT (PUBLISHED MARCH 2000) - THE JERSEY LIST OF FOUR MEASURES**

##### **F45 - 48 Bailiwick of Jersey**

###### General

There is no separate system of corporation tax in Jersey. A company is subject to income tax in the same way as an individual. All companies incorporated in Jersey are resident for tax purposes, as are companies where central management and control is exercised by Jersey resident directors.

###### Tax measures

##### *F45 Tax exempt companies*

A resident company may elect to be treated as tax-exempt within Jersey. A tax-exempt company must either be beneficially owned by non-residents or be a collective investment fund. Income tax is not payable on income arising to a tax-exempt company outside Jersey nor on bank interest arising in Jersey. The fees for an exempt company total £600 a year.

##### *F46 Internationally Treasury operations*

An international treasury operation based in Jersey as a branch of an international bank may deduct, in arriving at taxable income, a percentage of profits deemed to be applicable to the cost of outside expertise and other costs.

##### *F47 International Business Companies*

An International Business Company (IBC) is subject to tax on profits from international activities at the following rates:

Profits up to £3 million - 2 %

£3 - £4.5 million - 1.5 %

£4.5 - £10 million - 1 %

Over £10 million - 0.5 %.

Jersey source income and all other income of an IBC is taxed at 30 %. No Jersey resident may have any interest of any sort in the company.

##### *F48 Captive Insurance Companies*

Jersey applies the principle that captive insurance, to the extent that it insures only the risks of its shareholders (parent, partnership or sole proprietor) is mutual business and consequently not taxable. The captive's investment income is taxed at a rate of 20 %, subject to a deduction for management expenses and foreign tax. A captive may, however, operate as an exempt company if it can demonstrate to the Jersey fiscal authority that it will bring 'adequate economic benefit to the island'.

#### **COUNCIL**

#### **CONCLUSIONS OF THE ECOFIN COUNCIL MEETING**

**on 1 December 1997**  
**concerning taxation policy**

(98/C 2/01)

The Council held a wide-ranging debate in the light of the Commission communication entitled 'A package to tackle harmful tax competition in the European Union', which takes stock of a discussion initiated by the Commission at the informal meeting of Ministers for Economic Affairs and Finance in Verona in April 1996 and given more substantial shape at the informal meeting in Mondorf-les-Bains in September 1997.

That discussion concerned the need for coordinated action at European level to tackle harmful tax competition in order to help achieve certain objectives such as reducing the continuing distortions in the single market, preventing excessive losses of tax revenue or getting tax structures to develop in a more employment-friendly way.

In the light of that debate and in a spirit of comprehensiveness of approach, three areas were particularly highlighted: business taxation, taxation of savings income and the issue of withholding taxes on cross-border interest and royalty payments between companies.

Following that debate, the Council and the Representatives of the Governments of the Member States, meeting within the Council, agreed to the Resolution on a code of conduct for business taxation set out in Annex 1;

The Council also:

- approved the text on taxation of savings set out in Annex 2,
- considered that the Commission should submit a proposal for a Directive on interest and royalty payments between companies,
- took note of the Commission's intention to submit rapidly two proposals for Directives on the subjects referred to in the first and second indents above,
- called on the Commission to submit to it each year, together with the report provided for in paragraph N of the code of conduct for business taxation, a progress report on work concerning taxation of savings and interest and royalty payments between companies,
- took note of the Commission's undertaking on fiscal State aid,
- called on the Commission to take forward its work on taxation, continuing to draw on the assistance of the Taxation Policy Group,
- took note of the following statements for the Council minutes:
  1. re Annex 1 (code of conduct)

Certain Member States and the Commission consider that special tax arrangements for employees could come within the range of problems covered by the code. They accordingly consider that this question needs to be discussed within the Taxation Policy Group with a view to a possible extension of the code under the review procedure laid down in paragraph N.

The Council and the Representatives of the Governments of the Member States, meeting within the Council, as well as the Commission note that standstill and rollback are closely interrelated and stress the need for a balanced application to comparable situations, without this delaying the implementation of standstill and rollback. They also consider that a period of two years, as a general rule, should be sufficient for rollback. As from 1 January 1998 the actual rollback will have to take place within five years although a longer period may be justified in particular circumstances following an assessment by the Council.

The German delegation, like other delegations, understands point B (3) as including, *inter alia*, the targeted granting of advantages for international mobile activities, where they are not granted for non-mobile activities.

The Commission points out that the authorization granted in 1987 and extended most recently in 1994 for the arrangements for international financial services centres in Dublin expires in 2005 and that, under that authorization, no new institutions may benefit from those arrangements after 2000.

2. re Annex 2 (taxation of savings)

The Member States state that, if they were to change their legislation, they should be guided by the points set out in Annex 2 to these conclusions.

The United Kingdom delegation considers that such a Directive should not apply to Eurobonds and similar instruments.

The French delegation considers that the Directive on the taxation of savings should not lay down a rate of withholding tax of less than 25 %.

The Netherlands delegation notes that it will assess the proposals in the light of the principle of taxation of savings in the country of residence.

The Luxembourg delegation considers that a Directive on taxation of savings should be accompanied by a Directive on business taxation covering general arrangements for business taxation in the Member States.

The Belgian, Italian and Portuguese delegations state that they will not agree to the Directive on interest and royalty payments between companies before the Directive on the taxation of savings is adopted.

3. The Commission notes the Netherlands delegation's request concerning problems relating in particular to taxation of pensions and insurance benefits; it undertakes to consider the matter with the assistance of the Taxation Policy Group with a view to possibly drawing up a proposal for a Directive.
4. The Commission notes the Belgian delegation's request concerning VAT treatment of cross-border motor vehicle leasing and undertakes to look into it with an open mind. It will in particular consider to what extent the proposals already planned to modernize and streamline the present VAT arrangements can provide a suitable solution.

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*ANNEX 1*

**RESOLUTION OF THE COUNCIL AND THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES, MEETING WITHIN THE COUNCIL**

**of 1 December 1997**

**on a code of conduct for business taxation**

THE COUNCIL OF THE EUROPEAN UNION AND THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES, MEETING WITHIN THE COUNCIL,

RECALLING that a comprehensive approach to taxation policy was launched, at the Commission's instigation, at the informal meeting of the Ministers for Economic Affairs and Finance held in Verona in April 1996 and confirmed at the meeting in Mondorf-les-Bains in September 1997 in the light of the consideration that coordinated action at European level is needed in order to reduce continuing distortions in the single market, prevent significant losses of tax revenue and help tax structures develop in a more employment-friendly way,

ACKNOWLEDGING the major contribution made by the Taxation Policy Group to the preparation of this Resolution,

NOTING the Commission communication to the Council and the European Parliament of 5 November 1997,

ACKNOWLEDGING the positive effects of fair competition and the need to consolidate the competitiveness of the European Union and the Member States at international level, whilst noting that tax competition may also lead to tax measures with harmful effects,

ACKNOWLEDGING, therefore, the need for a code of conduct for business taxation designed to curb harmful tax measures,

EMPHASIZING that the code of conduct is a political commitment and does not affect the Member States' rights and obligations or the respective spheres of competence of the Member States and the Community resulting from the Treaty,

HEREBY ADOPT THE FOLLOWING CODE OF CONDUCT:



## **Code of conduct for business taxation tax measures covered**

- A. Without prejudice to the respective spheres of competence of the Member States and the Community, this code of conduct, which covers business taxation, concerns those measures which affect, or may affect, in a significant way the location of business activity in the Community.

Business activity in this respect also includes all activities carried out within a group of companies.

The tax measures covered by the code include both laws or regulations and administrative practices.

- B. Within the scope specified in paragraph A, tax measures which provide for a significantly lower effective level of taxation, including zero taxation, than those levels which generally apply in the Member State in question are to be regarded as potentially harmful and therefore covered by this code.

Such a level of taxation may operate by virtue of the nominal tax rate, the tax base or any other relevant factor.

When assessing whether such measures are harmful, account should be taken of, *inter alia*:

1. whether advantages are accorded only to non-residents or in respect of transactions carried out with non-residents, or
2. whether advantages are ring-fenced from the domestic market, so they do not affect the national tax base, or
3. whether advantages are granted even without any real economic activity and substantial economic presence within the Member State offering such tax advantages, or
4. whether the rules for profit determination in respect of activities within a multinational group of companies departs from internationally accepted principles, notably the rules agreed upon within the OECD, or
5. whether the tax measures lack transparency, including where legal provisions are relaxed at administrative level in a non-transparent way.

### **Standstill and Rollback**

#### *Standstill*

- C. Member States commit themselves not to introduce new tax measures which are harmful within the meaning of this code. Member States will therefore respect the principles underlying the code when determining future policy and will have due regard for the review process referred to in paragraphs E to I in assessing whether any new tax measure is harmful.

#### *Rollback*

- D. Member States commit themselves to re-examining their existing laws and established practices, having regard to the principles underlying the code and to the review process outlined in paragraphs E to I. Member States will amend such laws and practices as necessary with a view to eliminating any harmful measures as soon as possible taking into account the Council's discussions following the review process.

### **Review process**

#### *Provision of relevant information*

- E. In accordance with the principles of transparency and openness Member States will inform each other of existing and proposed tax measures which may fall within the scope of the code. In particular, Member States are called upon to provide at the request of another Member State information on any tax measure which appears to fall within the scope of the code. Where envisaged tax measures need parliamentary approval, such information need not be given until after their announcement to Parliament.

#### *Assessment of harmful measures*

- F. Any Member State may request the opportunity to discuss and comment on a tax measure of another Member State that may fall within the scope of the code. This will permit an assessment to be made of whether the tax

measures in question are harmful, in the light of the effects that they may have within the Community. That assessment will take into account all the factors identified in paragraph B.

- G. The Council also emphasizes the need to evaluate carefully in that assessment the effects that the tax measures have on other Member States, *inter alia* in the light of how the activities concerned are effectively taxed throughout the Community.

Insofar as the tax measures are used to support the economic development of particular regions, an assessment will be made of whether the measures are in proportion to, and targeted at, the aims sought. In assessing this, particular attention will be paid to special features and constraints in the case of the outermost regions and small islands, without undermining the integrity and coherence of the Community legal order, including the internal market and common policies.

#### *Procedure*

- H. A group will be set up by the Council to assess the tax measures that may fall within the scope of this code and to oversee the provision of information on those measures. The Council invites each Member State and the Commission to appoint a high-level representative and a deputy to this group, which will be chaired by a representative of a Member State. The group, which will meet regularly, will select and review the tax measures for assessment in accordance with the provisions laid down in paragraphs E to G. The group will report regularly on the measures assessed. These reports will be forwarded to the Council for deliberation and, if the Council so decides, published.
- I. The Council invites the Commission to assist the group in carrying out the necessary preparatory work for its meetings and to facilitate the provision of information and the review process. To this end, the Council requests Member States to provide the Commission with the information referred to in paragraph E so that the Commission may coordinate the exchange of such information between the Member States.

#### **State aid**

- J. The Council notes that some of the tax measures covered by this code may fall within the scope of the provisions on State aid in Articles 92 to 94 of the Treaty. Without prejudice to Community law and the objectives of the Treaty, the Council notes that the Commission undertakes to publish guidelines on the application of the State aid rules to measures relating to direct business taxation by mid- 1998, after submitting the draft guidelines to experts from the Member States at a multilateral meeting, and commits itself to the strict application of the aid rules concerned, taking into account, *inter alia*, the negative effects of aid that are brought to light in the application of this code. The Council also notes that the Commission intends to examine or re-examine existing tax arrangements and proposed new legislation by Member States case by case, thus ensuring that the rules and objectives of the Treaty are applied consistently and equally to all.

#### **Action to combat tax avoidance and evasion**

- K. The Council calls on the Member States to cooperate fully in the fight against tax avoidance and evasion, notably in the exchange of information between Member States, in accordance with their respective national laws.
- L. The Council notes that anti-abuse provisions or countermeasures contained in tax laws and in double taxation conventions play a fundamental role in counteracting tax avoidance and evasion.

#### **Geographical extension**

- M. The Council considers it advisable that principles aimed at abolishing harmful tax measures should be adopted on as broad a geographical basis as possible. To this end, Member States commit themselves to promoting their adoption in third countries; they also commit themselves to promoting their adoption in territories to which the Treaty does not apply.

In particular, Member States with dependent or associated territories or which have special responsibilities or taxation prerogatives in respect of other territories commit themselves, within the framework of their constitutional arrangements, to ensuring that these principles are applied in those territories. In this connection, those Member States will take stock of the situation in the form of reports to the group referred to in paragraph H, which will assess them under the review procedure described above.

#### **Monitoring and revision**

- N. In order to ensure the even and effective implementation of the code, the Council invites the Commission to report to it annually on the implementation thereof and on the application of fiscal State aid. The Council and the

Member States will review the provisions of the code two years after its adoption.

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ANNEX 2

TAXATION OF SAVINGS

To ensure a minimum of effective taxation of savings income within the Community and to prevent undesirable distortion of competition, the Council calls upon the Commission to present a proposal for a Directive on the taxation of savings. The Council considers that the following points might form a basis for that proposal:

- I. The scope of such a Directive could be limited to interest paid in one Member State to individuals who are resident in another Member State.
- II. As a first step towards effective taxation of savings income throughout the Community, such a Directive could be based on the 'coexistence model', under which each Member State would either operate a withholding tax or provide information on savings income to other Member States. A Member State might combine the two. The Directive could contain a review clause, for the purpose of determining to what extent further progress would be conceivable with a view to better effective taxation of savings income.
- III. Any withholding tax on interest payments made to residents of other Member States could, in principle, be levied by the paying agent. Refinement of this method might be needed in order to counter tax avoidance and evasion more effectively and to avoid double taxation. The arrangements for checking the residence for tax purposes of beneficiaries should not be too cumbersome.
- IV. The provisions of such a Directive should take into account the need to preserve the competitiveness of European financial markets on a global scale.

Furthermore, it would be advisable for the points set out above to be adopted as widely as possible. To this end, Member States should undertake to promote the establishment of equivalent measures in third countries, at the same time as discussions on the Directive are taking place; they should also commit themselves to promoting their adoption in territories to which the Treaty does not apply. In particular, Member States with dependent or associated territories or which have special responsibilities or taxation prerogatives in respect of other territories should commit themselves, within the framework of their constitutional arrangements, to ensuring that equivalent measures are applied in those territories.

The Council should review the issue before adopting such a Directive.

**Business trips, advertising partnerships and bed losses - questions and answers (Tape No. 732)**

Senator Paul Vincent Francis Le Claire asked the Deputy of Grouville, President of the Tourism Committee, the following questions -

- “1. Would the President advise members -
  - (a) whether the Committee or its staff propose to make any business trips outside the Island during the remainder of 2002? If the answer is in the affirmative, would the President indicate how many trips are planned by the Committee and its staff, the destinations concerned and how many Committee or staff members will be involved?
  - (b) whether the Tourism Department works in partnership with airlines and boat companies etc. in providing advertising for Jersey?
2. What evidence does the Committee have of tourism premises intending to seek change of use or likely to be removed from the market, and the numbers of beds concerned, in the next 12 months?
3. In view of the continuing reduction in bed numbers, does the President consider that there is any longer a need for a separate Tourism Committee?”

The President of the Tourism Committee replied as follows -

“1.(a) Proposed business trips outside the Island from 15.04.02 to 31.12.02 -

**27th – 31st May** – BTA Hidden Britain campaign to be held at the Smithsonian Institute in Washington, one officer to attend.

**19th – 22nd June** International City Tourism Conference (European Cities Tourism) to be held in Vienna, Deputy Nicholls and Chief Executive to attend.

**17th – 21st October** ABTA Conference (Association of British Travel Agents) to be held in Cairo. No decision yet made on attendees.

**29th – 31st October** TTW to be held in Montreaux, Switzerland, one officer will attend.

**11th – 14th November** World Travel Market to be held in London, attendance has not yet been decided, but will include a mixture of politicians and officers.

There will be several ad-hoc business trips to the UK and Europe for meetings with agencies and industry partners which occur throughout the year.

During a typical week Jersey Tourism could have four or five officers away from the Island attending meetings with tour operators, briefing agencies and many other duties. It is therefore impossible to be precise about business trips in advance of each activity being planned.

- (b) Yes. Jersey Tourism has for many years had a policy of working closely with the industry. It is true to say that in our 14 source markets we have always worked in collaboration with airlines, tour operators, shipping companies and travel agents in order to promote Jersey. We are not prepared to give details publicly as these are often sensitive commercial issues.

We are currently running schemes with all of the major tour operators. These include Jersey Travel Service, Preston Holidays, Premier Holidays, Travelsmith, Thomas Cook in the UK, with Wolters Reisen in Germany and Emeraude and Condor in France. We also work in conjunction with all the major hotel groups and at times on special promotions such as last year with Condor on the reactive campaign to the Foot and Mouth disease.

In total, Jersey Tourism will spend in excess of £500,000 per annum on partnership promotional activities. They are an excellent way of generating added value for our advertising as Tourism Committee funding is matched by commercial funding, thus doubling the amount of money available.

2. On 31st March 2002 the total number of registered tourist bed spaces amounted to 13,988. This number does not include 1,250 spaces on campsites.

At this time the department is aware of applications to Planning and Environment for Change of Use amounting to 2,507 bed spaces.

It is important that these applications are not viewed as confirmation that the beds will definitely be lost to the tourism industry. Some proprietors apply for this change of use as a ‘safeguard’, so that if they wish to leave the industry in the future there is an established exit route open to them.

The economy is demand driven and there is, as we know, excess demand for property and land in Jersey to meet the need for housing accommodation. Tourism is also adjusting to long term trends in its volume and composition. However, the accommodation base is declining faster than demand. This is the message that the Tourism Committee has consistently expressed over the last 18 months.

3. The link between bed numbers and the need for a separate Tourism Committee is tenuous.

The States strongly endorsed the economic, social and environmental role that tourism plays in the Island during two strategic debates held in the lifetime of this Assembly.

Let me again stress that the tourism industry is increasingly at risk from rapid and fundamental changes to market demand and increased competition.

This calls for even greater political leadership and a strong champion for tourism in the States.”

### **Agriculture and Fisheries: policy report 2001 - question and answer (Tape No. 732)**

The Connétable of St. Helier asked Senator Jean Amy Le Maistre, President of the Agriculture and Fisheries Committee, the following question -

“On 12th February the States acceded to the request that consideration of the Agriculture and Fisheries: policy report 2001 (P.126/2002 lodged “au Greffe” on 14th August 2001) be deferred to a later date. Given that the President stated that it was his intention to bring back the policy report within a few weeks, would the President explain to members what progress the Committee has made in this regard?”

The President of the Agriculture and Fisheries Committee replied as follows -

“The Assembly will recall that on 12th February I requested deferment of the debate because the Policy and Resources and Finance and Economics Committees had indicated, immediately before the scheduled date for the debate, that they still had concerns about aspects of the policy proposals and so would not be able to support them.

I subsequently agreed with Senator Horsfall and Senator Walker that the best way forward would be to set up a Review Group, with representation from the 3 Committees, under an independent Chairman, to clarify and then consider further the concerns expressed by the Policy and Resources and Finance and Economics Committees.

The Review Group is chaired by Jurat Herbert and comprises Senator Le Sueur, representing Policy and Resources, Deputy Voisin, representing the Finance and Economics Committee, and myself, representing the Agriculture and Fisheries Committee.

The Terms of Reference for the Review Group are -

- (a) to review the Agriculture and Fisheries Committee’s current policy proposals and recommend alternatives or changes as appropriate;
- (b) to consider the questions and issues raised by the Policy and Resources and Finance and Economics Committees, to identify any areas of disagreement, and to comment.

Since the first meeting with the Chairman on 16th February the Review Group has met on eight occasions and has made considerable progress. The present aim is to complete the review within the next few weeks. The Group has examined each aspect of the policy proposals very thoroughly and has been considering the background to the proposals as well as considering the proposals themselves together with their financial implications. The Group has also considered it important to have meetings with representatives of the sectors of the industry and these meetings will be completed this week.

I would anticipate that the group will complete its task early in May but that is a matter for the Chairman and the members to decide.

If the expected timetable is achieved I would expect to be asking the Assembly for the debate to take place in June.”

### **Tobacco strategy and private hospital ward - questions and answers (Tape No. 732)**

Senator Corrie Stein asked Senator Stuart Syvret, President of the Health and Social Services Committee, the following questions -

- “1. Would the President advise members -

- (a) when he proposes that his Committee's Tobacco Strategy should be debated?
  - (b) what progress has been made in banning tobacco advertising, a course of action favoured by those States members who responded to a survey on this subject?
2. Would the President advise members -
- (a) whether both the private wards in the general hospital are fully utilised, and does it happen that one is sometimes closed?
  - (b) whether the private wards are used for the overflow of public wards, and if the answer is in the affirmative, how often has this occurred over the last 12 months?"

The President of the Health and Social Services Committee replied as follows -

1. Members and Officers of the Committee met last week with colleagues of the Guernsey Health Board to look at tobacco related issues as Guernsey has had a strategy in place for some time and are making good progress. That meeting produced some interesting ideas which my Committee will consider at its meeting in May. Thereafter we will produce a revised draft of the strategy for consultation with stakeholders prior to bringing the report to the States hopefully before the Summer recess.

The strategy contains a commitment to introduce measures to ban all tobacco advertising in line with changes in UK law. The UK Parliament will be debating a private members bill this summer which the UK Government supports, which seeks to introduce such a ban in line with the EU directives. However in the light of the support expressed by States members for such legislation, and following discussions with the Board of Health in Guernsey, my Committee will be seeking to bring forward the legislative measures outlined in the strategy as soon as is practicable.

2. (a) The private patient services comprises two wards, which between them have a total of 34 beds. One of the wards is generally closed over major Bank Holidays weekends, when private elective surgery is reduced, and this arrangement was also followed on a further seven weekends during the period 1st April 2001 - 1st April 2002.

Annual routine Theatre maintenance programmes during August reduce operating capacity for two weeks and one of the private wards is closed during this period.

- (b) Both private wards have accommodated an overflow of public patients and this has, inevitably, occurred most often during the recent period of intensive pressure on beds which increased markedly in October 2001. The frequency with which this has occurred on the basis of bed nights, during the past 12 months is as follows -

<b>2001</b>	<b>Bed Nights</b>
April	1
May	6
June	41
August	20
September	16
October	130
November	232
December	221
<b>Total</b>	<b>686</b>
<b>2002</b>	<b>Bed Nights</b>
January	130
February	339

March	281
<b>Total</b>	<b>750</b>

-

**Opera House - question and answer** (Tape No. 732)

Deputy Roy George Le Hérisssier of St. Saviour asked Senator Frank Harrison Walker, President of the Finance and Economics Committee, the following question -

“Would the President -

- (a) outline the assumptions under which the annual grant and initial loan support to the Opera House was determined?
- (b) outline why it was necessary to diverge from the original assumptions and grant extra monies?
- (c) advise whether he is satisfied that the funding of the Opera House is now on a more solid footing?
- (d) advise what proposals have been put forward by the Jersey Arts Trust to avert any further funding crisis with regard to the operation of the Opera House and St. James’ Centre?”

The President of the Finance and Economics Committee replied as follows -

- “(a) The purchase of the Opera House was approved by the States on 25th July 1995. Shortly thereafter, the Finance and Economics Committee transferred responsibility for its restoration to the Arts Trust and requested that a fund raising campaign commence for its refurbishment.

On 28th July 1998, the States agreed to issue an unconditional guarantee for the repayment of a loan of up to £5.5m .

To support the cost of the project the level of annual grant to The Arts Trust, since 1998, which includes supporting the cost of the Opera House project and loan repayments, has been as follows:-

1998	£ 367,000
1999	£ 867,000
2000	£1,008,300
2001	£1,157,000
2002	£1,157,000.

The increase in the grant to the Arts Trust from £367,000 to £1,157,000 was intended to meet the full running costs of the Opera House.

- (b) Indications that the Arts Trust was in difficulties came to light following visits to the Treasury by the Trustees in November and December 2001. The Trust had experienced significant losses on its summer shows in its first full year of operation and had built up a substantial overdraft. My Committee immediately reacted to resolve the overdraft problem and has provided additional financial support to enable the Opera House to remain open in 2002.
- (c) No, I am not satisfied that the Opera House is now on a more solid footing. The Finance and Economics Committee has provided a one-off grant to meet an immediate funding crisis. It is apparent to my Committee that under present arrangements, the annual income of the Opera House is still insufficient to meet its on-going running costs.
- (d) No proposals have been received as yet. It was a condition of the £250,000 emergency grant that the Trust produce a fully costed Business Plan for all its facilities and activities by the end of May 2002. My Committee is awaiting this information.”

## **Exit strategies - questions and answers (Tape No.732)**

The Deputy of St. John asked questions of Senator Jean Amy Le Maistre, President of the Agriculture and Fisheries Committee, the following questions -

- “1. Would the President advise members -
- (a) why the dairy industry exit policy does not currently apply to organic farms?
  - (b) when the exit policy was discussed between the Finance and Economics Committee, the Agriculture and Fisheries Committee and the Jersey Milk Marketing Board, was it made clear to the Finance and Economics Committee that a level playing field for the exit strategy would not exist if organic milk producers were exempt from the scheme? If it was made clear, what was the Finance and Economics Committee’s response?
- 2.(a) Would the President confirm that the President of the Jersey Farmers Union has presented to the Agriculture and Fisheries and the Planning and Environment Committees an exit strategy for the glass house industry?
- (b) if the answer is in the affirmative, does this plan include the entire glass house stock across the Island, and if not, why not?
  - (c) is this strategy supported by the Committee, and if so, would he indicate the strength of that support?

The President of the Agriculture and Fisheries Committee replied as follows -

- “1.(a) The reason is that the organic milk producers, Jersey Milk and the States have made a significant investment in conversion to achieve the demanding standards involved in organic status, and Jersey Milk have assessed the current supplies of organic milk in the Island to be meeting current demand. It was not, therefore, the intention of the industry, in requesting States support for a Restructuring Scheme, to reduce the production of organic milk. The document ‘Guidance to dairy farmers concerning the Dairy Industry Restructuring Scheme’, provided to milk producers, reminded organic producers that they had a contract with Jersey Milk and the Agriculture and Fisheries Committee and that they could not offer base litres under the Scheme unless they obtained agreement from the other parties to the contract. Thus, organic producers were not specifically excluded from applying under the Scheme, but they were reminded that they would have to seek the agreement of the other parties to vary their contract or to be released from their contract.
- (b) When the proposed scheme was discussed between the Finance and Economics Committee, myself and the Chairman of the Jersey Milk Marketing Board, I do not recall any specific reference to the organic milk producers.
2. (a) When the proposed scheme was discussed between the Finance and Economics Committee, myself and the Chairman of the Jersey Milk Marketing Board, I do not recall any specific reference to the organic milk producers.
- (b) The proposals do not include the entire glasshouse stock of the Island. They include the glasshouses requiring high-energy inputs for the production of long season edible crops, which, in the European Union, are supported financially by the EU Fruit and Vegetable Regime. They exclude, for example, glasshouses used for growing flowers.
  - (c) The proposals received the full support of the Agriculture and Fisheries Committee.”

## **Annual report of the Administrative Appeals Panel and the operation of the Administrative appeals system - statement**

The Deputy of St. Ouen, President of the Special Committee to consider the relationship between Committees



and the States made a statement in the following terms -

“As members will have seen the Special Committee to Consider the Relationship between Committees and the States has today presented to the States the annual report of the Administrative Appeals Panel for the year 2001.

I would like to publicly thank the Chairman, Mr. Reginald. Jeune CBE, the two Deputy Chairmen, Advocate Geoffrey Fiott and Mrs Carol Canavan, together with the other 9 members of the Administrative Appeals Panel for the work they have undertaken. The Chairman, Deputy Chairmen and members undertake this work on a purely honorary basis and give many hours of their time to this valuable work. I am sure all members would wish to join with me in expressing our sincere gratitude to them.

The Special Committee met the Panel on 19th March 2002 to discuss the annual report and, more generally, the operation of the administrative appeals system. As members will be aware there has recently been concern expressed by members of the States, together with comment in the local media, about the operation of the system particularly in circumstances where Committees do not fully implement the findings of a Board. It was clear at our meeting that members of the Panel feel extremely concerned when this happens as they rightly believe that they have been appointed by the States to undertake this difficult task and it is therefore frustrating for them when Committees do not follow their recommendations.

My Committee is of the view that the administrative appeals system is an extremely important safeguard for members of the public who are aggrieved by decisions of States Committees and Departments. It provides a simple and inexpensive alternative to court proceedings and enables a detailed review of complaints by an independent body. It would, therefore, be unfortunate if the system were seen to be operating less than efficiently because some Committees are failing to respond in a timely manner or failing to take due and proper regard of the recommendations made by Boards.

Some members of the States have called for the findings of Boards to be binding on Committees. My Committee does not agree with this proposal and the Chairman and members of the Panel also share this view. In the words of one member of the Panel, *‘the Panel does not need more teeth, it needs politicians with ears’*. Although some of the ombudsmen schemes in the United Kingdom, particularly those dealing with financial matters, are able to make binding recommendations it is interesting to note that the UK local and central government ombudsmen are not able to issue findings that are binding on central government or local authorities. Research undertaken for the Special Committee nevertheless shows that the vast majority of findings of the UK public sector ombudsmen schemes are followed and my Committee has considered what steps could be taken to improve the situation in Jersey.

The Special Committee intends to issue procedural guidelines on the operation of the administrative appeals system in the very near future and I will be writing to all members once the Committee has finalised these. It is possible that some minor changes to the Administrative Decisions (Review) (Jersey) Law 1982 will be required and my Committee will be promoting those amendments if necessary. The measures that the Committee is currently considering include -

- (i) issuing guidelines to Committees and Departments on the time allowed to respond to a complaint when requested to do so by the Greffier of the States. The Committee has been informed that some Committees can take up to six weeks to provide an initial response to a complaint and this is clearly unacceptable.
- (ii) requiring Committee Presidents to be present at Board hearings unless there are compelling reasons why they cannot attend. The Special Committee believes that a review by a Board of Administrative Appeal should be viewed as a significant matter for a Committee and it is therefore appropriate that the President should be present in person;
- (iii) distributing the findings of Boards as soon as they are finalised. At present the findings are forwarded to the Complainant, the Committee and the local media when they are signed but members of the States do not formally receive them until they are published as an Appendix to the annual report many months later. The Committee believes it would be helpful if all members received the findings as an R.C. as soon as they were published;

- (iv) improving the manner in which Committees are required to respond to a Board's findings if the Committee does not intend to implement the findings in full. At present there is no formal procedure in place to ensure that a full and reasoned response is given and the Committee believes that this is unsatisfactory. Furthermore my Committee will be seeking to put in place some mechanism whereby the Committee's response is formally presented to the States;

The Special Committee is hopeful that these changes will go some way to improving the current operation of the administrative appeals system. The changes will require the co-operation of all Committees and I trust I can rely on the support of all members of the States to achieve this. My Committee is grateful for the comments it has received in recent weeks and would welcome further comments from members as it seeks to finalise the guidelines referred to earlier."

### **Planning and Building Services - statement**

Senator Nigel Lewis Qu  r  e, President of the Planning and Environment Committee made a statement in the following terms -

"The Planning and Environment Committee met last Thursday 18th April 2002 and considered carefully the outcome of the decision conference held to decide the cash limits which will be proposed in the States Resource Plan for 2003.

The Committee now faces a likely reduction of 14 per cent in its budget for 2003, or a loss of  427,700. This arises from a combination of the additional percentage reduction imposed by the decision conference (3.3 per cent of Net Expenditure) and the inability to fund the cumulative shortfall in the Committee's cash limit using carry forward funds as reported to the States - (*see Page 14 of the 2001 Budget and page 14 of 2002 Budget for these reports*): These funds were accumulated from excess income in previous years and have been used to sustain core services.

Whilst the Committee accepts that this is not the final position, the Committee believes it is unlikely that significant additional revenue funds will be made available. This means that the level of services currently provided is untenable.

The Committee has reported regularly to the States that the workload of the Planning and Building department has increased to such a level that without additional resources there would be significant problems (*see page 8 of the Financial Report and Accounts 2001, the latest such report and RC13 200*).

There has been a long standing practice of voluntary unpaid overtime performed by staff attempting to deal with their increased workloads. Last Thursday the Committee determined that its duty of care to its staff required immediate action. Such action is consistent with the States approved *Human Resource Strategy*.

The Committee has, therefore, decided to suspend certain non-statutory services: until they can be provided without requiring excessive levels of out of hours working from its staff. The Committee will work with the *Association of Jersey Architects* and other professional groups to discuss how the effects of these changes can be mitigated.

However, the discontinuation of some discretionary services will allow the Committee to focus its limited resource on statutory services, which will ensure these are maintained to as high a standard as possible.

The Committee regrets that this has been necessary. However, it would like to make it clear that this is not a device to seek to undermine the decision making process, but a necessary step to maintain statutory services at a reasonable level and to protect the well-being of staff. If the current demands upon the Department should reduce, the Committee will respond and - taking into account the well-being of the design and construction industry - it will seek to reintroduce beneficial services.

It will enable the Committee and its officers to work with the corporate Committees and Departments to establish an appropriate human resource and financial arrangement for the years ahead to ensure the services can eventually be brought into line with public expectations as reflected in the new *Planning and Building Law*, approved by the States."

**La Collette, St. Helier, Phase II: approval of drawings and funding arrangements for the construction of a bus workshop: lodging – P.61/2002**

THE STATES commenced consideration of a proposition of the Planning and Environment Committee regarding La Collette, St. Helier, Phase II: approval of drawings and funding arrangements for the construction of a bus workshop. After discussion, the proposition was lodged “au Greffe” by Deputy Jeremy Laurence Dorey of St. Helier.

THE STATES agreed that this matter would be set down for consideration at their next meeting on 14th May 2002, when it would be considered as the first item of public business.

**St. Helier Waterfront: lease and sale of land to Waterfront Enterprise Board Limited - P.45/2002  
Comments - P.45/2002 Com.**

THE STATES, adopting a proposition of the Policy and Resources Committee, referred to their Act dated 12th December 1995 in which they approved the establishment of the Waterfront Enterprise Board Limited as a separate legal entity and agreed to the transfer of administration to the Waterfront Enterprise Board Limited of certain areas of land on the St. Helier Waterfront; and to their Act dated 18th March 1997 in which they agreed to increase the company’s share capital to £20 million with arrangements for repayment of that capital by way of an annual sinking fund and contributions from capital receipts, and -

- (i) approved the leasing by the public to the Waterfront Enterprise Board Limited of the six areas of land shown outlined in red on drawing No. 1 (Disposal Plan), excluding the areas coloured green for a period of 150 years, at an annual rental of £1 payable in a lump sum on the passing of the contract, with the land to be used for the purposes agreed with the Planning and Environment Committee and otherwise on such terms and conditions as might be agreed between the Board and the Finance and Economics Committee;
- (ii) agreed that the Waterfront Enterprise Board Limited should be permitted to sub-let or hypothecate the land or assign the lease of the land referred to in (i) above, on terms to be approved by the Finance and Economics Committee, and with the land to be used for the purposes agreed with the Planning and Environment Committee;
- (iii) approved the sale by the public to the Waterfront Enterprise Board Limited of the parcels of land shown coloured in green on drawing No. 1 (Disposal Plan) being areas of land to be used, as agreed with the Planning and Environment Committee, predominantly for the construction of residential accommodation for the sum of £10 for each parcel and otherwise on such terms and conditions as might be agreed between the Board and the Finance and Economics Committee;
- (iv) agreed that the Waterfront Enterprise Board Limited should be permitted to retain any capital receipts from the sale, leasing or sub-leasing of any of the areas of land referred to in paragraph (iii) above and the sub-leasing, assignment or hypothecation of the lease or any part thereof referred to in paragraph (i) above for the purpose of funding further infrastructure work in order to complete the St. Helier Waterfront development as agreed with the Planning and Environment Committee, and, thereafter to allocate any surplus receipts to the sinking fund established by the Finance and Economics Committee to meet the cost of the company’s share capital;
- (v) agreed that the Waterfront Enterprise Board Limited should be responsible for all reasonable legal fees of both parties arising out of the transactions referred to in paragraphs (i) and (iii) above;
- (vi) authorised the Greffier of the States to sign the said drawing on behalf of the States; and
- (vii) authorised the Attorney General and the Greffier of the States to pass the necessary contracts on behalf of the public.

Members present voted as follows -

“Pour” (45)

## **Senators**

Le Maistre, Quérée, Norman, Walker, Kinnard, Le Sueur, Le Claire, Lakeman.

## **Connétables**

Grouville, St. Ouen, Trinity, St. Saviour, St. Brelade, St. Lawrence, St. Mary, St. John, St. Peter, St. Clement, St. Helier.

## **Deputies**

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

## **“Contre” (3)**

## **Senators**

Stein, Syvret.

## **Deputies**

S. Baudains(H).

## **Jersey Financial Services Commission: appointment of Commissioner - P.47/2002**

The Deputy Bailiff, in accordance with Article 3 (1A) of the Financial Services Commission (Jersey) Law 1998 as amended, and Standing Order No. 46(2), ordered the withdrawal of Strangers and the closing of the doors of the Chamber in order that the appointment of a Commissioner of the Jersey Financial Services Commission be debated in camera.

THE STATES, having deliberated thereon in camera, proceeded to vote in public assembly and adopting a proposition of the Finance and Economics Committee, and in pursuance of Article 3 of the Financial Services Commission (Jersey) Law 1998, as amended, appointed Mr. Richard Pratt as a Commissioner of the Jersey Financial Services Commission with effect from 1st May 2002 until 11th October 2003.

## **Draft Motor Vehicles (International Circulation) (Amendment No. 13) (Jersey) Regulations 200-P.48/2002**

THE STATES, in pursuance of Article 1 of the Motor Vehicles (International Circulation) (Jersey) Law 1953 made Regulations entitled the Motor Vehicles (International Circulation) (Amendment No. 13) (Jersey) Regulations 2002.

## **Jersey Arts Trust: appointment of Chairman - P.49/2002 (re-issue)**

THE STATES, adopting a proposition of the Education Committee, appointed Mr. Colin Perchard C.V.O., O.B.E. as Chairman of the Jersey Arts Trust with effect from 23rd April 2002, for a period of four years, renewable up to a maximum of eight years.

## **Draft Companies (Amendment No. 7) (Jersey) Law 200- P.50/2002**

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Companies (Amendment No. 7) (Jersey) Law 2002.

THE STATES rose at 3.10 p.m.

**C.M. NEWCOMBE**

*Greffier of the States.*