



**THE STATES assembled on Thursday
29th September 2016, at 09.30 a.m. under
the Presidency of the Deputy Bailiff,
Timothy John Le Cocq, Esquire.**

All members were present at roll call with the exception of –

Senator Philip Francis Cyril Ozouf – en défaut (défaut raised at 10.27 a.m.)
Senator Alan John Henry Maclean – en défaut (défaut raised at 9.39 a.m.)
Senator Lyndon John Farnham – en défaut (défaut raised at 9.39 a.m.)
Senator Sir Philip Martin Bailhache – en défaut (défaut raised at 10.16 a.m.)
Senator Sarah Craig Ferguson – en défaut (défaut raised at 10.56 a.m.)
Connétable John Martin Refault of St. Peter – excused attendance (arrived in the Chamber at 10.57 a.m.)
Connétable Deirdre Wendy Mezbourian of St. Lawrence – en défaut (défaut raised at 10.16 a.m.)
Connétable Philip Bond Le Sueur of Trinity – en défaut
Deputy Louise Catherine Mary Doublet of St. Saviour – en défaut (défaut raised at 9.41 a.m.)
Deputy Peter Derek McLinton of St. Saviour – en défaut (défaut raised at 9.47 a.m.)

Prayers read by the Greffier of the States

Connétable of St. Peter – attendance

THE STATES, adopting a proposition of the Connétable of St. Clement, made in accordance with Standing Order 53(3), agreed that the reason for the absence of the Connétable of St. Peter was such that he should be excused attendance.

Members present voted as follows –

POUR: 38

Senator P.F. Routier
Senator A.J.H. Maclean
Senator I.J. Gorst
Senator L.J. Farnham
Senator A.K.F. Green
Connétable of St. Helier
Connétable of St. Clement
Connétable of St. Mary
Connétable of St. Ouen
Connétable of St. Brelade
Connétable of St. Martin
Connétable of St. Saviour
Connétable of Grouville
Connétable of St. John
Deputy J.A. Martin (H)
Deputy of Grouville
Deputy J.A. Hilton (H)
Deputy J.A.N. Le Fondré (L)
Deputy of Trinity
Deputy K.C. Lewis (S)

CONTRE: 3

Deputy G.P. Southern (H)
Deputy M. Tadier (B)
Deputy S.Y. Mézec (H)

ABSTAIN: 1

Deputy M.R. Higgins (H)

Deputy E.J. Noel (L)
 Deputy of St. John
 Deputy J.M. Maçon (S)
 Deputy S.J. Pinel (C)
 Deputy of St. Martin
 Deputy R.G. Bryans (H)
 Deputy of St. Peter
 Deputy R.J. Rondel (H)
 Deputy A.D. Lewis (H)
 Deputy of St. Ouen
 Deputy L.M.C. Doublet (S)
 Deputy R. Labey (H)
 Deputy S.M. Wickenden (H)
 Deputy S.M. Bree (C)
 Deputy M.J. Norton (B)
 Deputy T.A. McDonald (S)
 Deputy of St. Mary
 Deputy G.J. Truscott (B)

Draft Medium Term Financial Plan Addition for 2017 – 2019 P.68/2016

THE STATES resumed consideration of the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016) and an amendment of Deputy Geoffrey Peter Southern of St. Helier (P.68/2016 Amd.(3)) that –

- (1) after the words “Summary Table B”, there should be inserted the words “except that the Social Security Department’s proposed net revenue expenditure shall be reduced by £8.3 million in 2018 and £16.8 million in 2019 in respect of a reduction in the level of the States Grant to the Social Security Fund”;
- (2) after the words “Summary Table C”, there should be inserted the words “except that Central Allocation – Pay, PECRS and Workforce Modernisation shall be increased by £800,000 in 2018 and £1.8 million in 2019” in respect of increased States employer contributions; and
- (3) paragraph (c) should be replaced with the following –
 - “(c) to approve in principle the increase in the social security employer’s contributions (including class 2 contributions) between the standard earnings limit and the upper earnings limit by 2% in 2018 and a further 2.5% in 2019 to raise a total of £7.8 million in 2018 and £18.0 million in 2019, with the necessary proposition to be brought forward by the Minister for Social Security so that it can be debated by the States Assembly in time for the increases to be implemented;”.

THE STATES rejected paragraph (1) of the amendment of Deputy Geoffrey Peter Southern of St. Helier (P.68/2016 Amd.(3)) that after the words “Summary Table B”, there should be inserted the words “except that the Social Security Department’s proposed net revenue expenditure shall be reduced by £8.3 million in 2018 and £16.8 million in 2019 in respect of a reduction in the level of the States Grant to the Social Security Fund”.

Members present voted as follows –

POUR: 11

Connétable of St. Saviour
 Connétable of St. John
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy of Grouville
 Deputy J.A. Hilton (H)
 Deputy M. Tadier (B)
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.Y. Mézec (H)
 Deputy T.A. McDonald (S)

CONTRE: 30

Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 Senator I.J. Gorst
 Senator L.J. Farnham
 Senator P.M. Bailhache
 Senator A.K.F. Green
 Connétable of St. Helier
 Connétable of St. Clement
 Connétable of St. Lawrence
 Connétable of St. Mary
 Connétable of St. Ouen
 Connétable of St. Brelade
 Connétable of St. Martin
 Deputy of Trinity
 Deputy E.J. Noel (L)
 Deputy S.J. Pinel (C)
 Deputy of St. Martin
 Deputy R.G. Bryans (H)
 Deputy of St. Peter
 Deputy R.J. Rondel (H)
 Deputy A.D. Lewis (H)
 Deputy of St. Ouen
 Deputy R. Labey (H)
 Deputy S.M. Wickenden (H)
 Deputy S.M. Bree (C)
 Deputy M.J. Norton (B)
 Deputy of St. Mary
 Deputy G.J. Truscott (B)
 Deputy P.D. McLinton (S)

ABSTAIN: 2

Deputy J.A.N. Le Fondré (L)
 Deputy of St. John

Following the rejection of paragraph (1) of the amendment of Deputy Geoffrey Peter Southern of St. Helier (P.68/2016 Amd.(3)), the Deputy Bailiff informed the Assembly that paragraphs (2) and (3) of the same amendment were deemed to have been withdrawn.

THE STATES commenced consideration of an amendment of Deputy John Alexander Nicholas Le Fondré of St. Lawrence (P.68/2016 Amd.(6)) –

- (1) to agree in principle that, in respect of public sector employees earning more than the average annual salary, as calculated by the Jersey Statistics Unit, the employer rate in respect of PECRS/PEP should be reduced by 1% per annum, and the employee rate increased by 1% per annum, until such time that the employer rate and the employee rate were equal (it being assumed that any adjustment that was less than 1% necessary to achieve final equalisation should be implemented in the final year of adjustment), requesting the Minister for Treasury and Resources accordingly to bring forward the necessary legislation, if any, to give effect to this change for debate in the States Assembly and, in consequence thereof, after the words “as set out in Summary Table B”, the following words should be inserted –

“except that the allocation of resources to each States department and non-ministerial States funded body shall be reduced in 2019 by the amounts specified in table 1 in the report accompanying this proposition.”

- (2) for the words “as set out in Summary Table C”, there should be inserted the words –
 “except for the addition of £1,475,000 in 2019”.

THE STATES rejected paragraph (1) of an amendment of Deputy John Alexander Nicholas Le Fondré of St. Lawrence (P.68/2016 Amd.(6)) to agree in principle that, in respect of public sector employees earning more than the average annual salary, as calculated by the Jersey Statistics Unit, the employer rate in respect of PECS/PEP should be reduced by 1% per annum, and the employee rate increased by 1% per annum, until such time that the employer rate and the employee rate were equal (it being assumed that any adjustment that was less than 1% necessary to achieve final equalisation should be implemented in the final year of adjustment), requesting the Minister for Treasury and Resources accordingly to bring forward the necessary legislation, if any, to give effect to this change for debate in the States Assembly and, in consequence thereof, after the words “as set out in Summary Table B”, the following words should be inserted –

“except that the allocation of resources to each States department and non-ministerial States funded body shall be reduced in 2019 by the amounts specified in table 1 in the report accompanying this proposition.”.

Members present voted as follows –

POUR: 10

Senator S.C. Ferguson
 Connétable of St. Saviour
 Connétable of St. John
 Deputy of Grouville
 Deputy J.A. Hilton (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy K.C. Lewis (S)
 Deputy A.D. Lewis (H)
 Deputy R. Labey (H)
 Deputy T.A. McDonald (S)

CONTRE: 34

Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 Senator I.J. Gorst
 Senator L.J. Farnham
 Senator A.K.F. Green
 Connétable of St. Peter
 Connétable of St. Lawrence
 Connétable of St. Mary
 Connétable of St. Ouen
 Connétable of St. Brelade
 Connétable of St. Martin
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy of Trinity
 Deputy M. Tadier (B)
 Deputy E.J. Noel (L)
 Deputy of St. John
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.J. Pinel (C)
 Deputy of St. Martin
 Deputy R.G. Bryans (H)
 Deputy of St. Peter
 Deputy R.J. Rondel (H)
 Deputy S.Y. Mézec (H)
 Deputy of St. Ouen
 Deputy L.M.C. Doublet (S)
 Deputy S.M. Wickenden (H)
 Deputy S.M. Bree (C)
 Deputy M.J. Norton (B)

ABSTAIN: 0

Deputy of St. Mary
Deputy G.J. Truscott (B)
Deputy P.D. McLinton (S)

Following the rejection of paragraph (1) of the amendment of Deputy John Alexander Nicholas Le Fondré of St. Lawrence (P.68/2016 Amd.(6)), the Deputy Bailiff informed the Assembly that paragraph (2) of the same amendment was deemed to have been withdrawn.

THE STATES commenced consideration of an amendment of the Corporate Services Scrutiny Panel (P.68/2016 Amd.(8)) that –

- (1) after the words “as set out in Summary Table B,” there should be inserted the words –

“except that net revenue expenditure shall be decreased for each Ministerial Department and Non Ministerial States Funded Body in 2017, 2018 and 2019 by an amount to be calculated by the Department for Treasury and Resources in order to reduce the vacancy rate (defined as budgeted against actual FTE) for that Department or Body in 2016 to a maximum of 3%”;
- (2) the words “with in relation to the head of expenditure of the Health and Social Services Department, the approval of £5,000,000 in each of the financial years 2017 to 2019 dependent in accordance with Article 16(4) of the Public Finances (Jersey) Law 2005, on the approval by the States of the transfer of these sums from the Health Insurance Fund to the Health and Social Services Department” should be deleted;
- (3) after the words “as set out in Summary Table C”, there should be inserted the words –

“except that the total proposed Contingency amount for the financial years 2017 to 2019 be increased by an amount equal to the reduction in net revenue expenditure specified in paragraph 1 above”;
- (4) from the amount identified in paragraph (3) above, there should be deducted £5,000,000 in 2017, £12,500,000 in 2018 and £20,000,000 in 2019, which would remain in the Consolidated Fund to replace and be used for the same purposes as the proposed Health Charge and the transfers from the Health Insurance Fund;
- (5) paragraph (c) should be deleted.

Changes in Presidency

The Deputy Bailiff retired briefly from the Chamber during consideration of the amendment of the Corporate Services Scrutiny Panel (P.68/2016 Amd.(8)) to the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016), and the meeting continued under the Presidency of Dr. Mark Egan, Greffier of the States, until his return.

Arrangement of business for the current meeting

THE STATES, adopting a proposition of the Deputy of St. Martin, agreed to adjourn for lunch once a decision on a continuation date had been made.

Members present voted as follows –

POUR: 32**CONTRE: 11****ABSTAIN: 0**

Senator P.F. Routier
 Senator A.J.H. Maclean
 Senator L.J. Farnham
 Senator A.K.F. Green
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Lawrence
 Connétable of St. Mary
 Connétable of St. Ouen
 Connétable of St. Brelade
 Connétable of St. Saviour
 Connétable of St. John
 Deputy G.P. Southern (H)
 Deputy J.A. Hilton (H)
 Deputy of Trinity
 Deputy K.C. Lewis (S)
 Deputy E.J. Noel (L)
 Deputy of St. John
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.J. Pinel (C)
 Deputy of St. Martin
 Deputy R.G. Bryans (H)
 Deputy of St. Peter
 Deputy R.J. Rondel (H)
 Deputy L.M.C. Doublet (S)
 Deputy S.M. Wickenden (H)
 Deputy S.M. Bree (C)
 Deputy M.J. Norton (B)
 Deputy T.A. McDonald (S)
 Deputy G.J. Truscott (B)
 Deputy P.D. McLinton (S)

Senator S.C. Ferguson
 Connétable of St. Martin
 Deputy J.A. Martin (H)
 Deputy of Grouville
 Deputy J.A.N. Le Fondré (L)
 Deputy M. Tadier (B)
 Deputy S.Y. Mézec (H)
 Deputy A.D. Lewis (H)
 Deputy of St. Ouen
 Deputy R. Labey (H)
 Deputy of St. Mary

THE STATES, adopting a proposition of the Chairman of the Privileges and Procedures Committee, agreed that the meeting would continue on Friday 30th September 2016, in order to conclude consideration of the proposition of the Council of Ministers entitled 'Draft Medium Term Financial Plan Addition for 2017 – 2019' (P.68/2016) and associated amendments, and the outstanding items of public business.

Members present voted as follows –

POUR: 32**CONTRE: 10****ABSTAIN: 0**

Senator P.F. Routier
 Senator A.J.H. Maclean
 Senator L.J. Farnham
 Senator A.K.F. Green
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Lawrence
 Connétable of St. Mary
 Connétable of St. Ouen

Senator S.C. Ferguson
 Connétable of St. Brelade
 Connétable of St. Martin
 Deputy G.P. Southern (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy of Trinity
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.Y. Mézec (H)

Connétable of St. Saviour	Deputy of St. Mary
Connétable of St. John	
Deputy J.A. Martin (H)	
Deputy of Grouville	
Deputy K.C. Lewis (S)	
Deputy M. Tadier (B)	
Deputy E.J. Noel (L)	
Deputy of St. John	
Deputy S.J. Pinel (C)	
Deputy of St. Martin	
Deputy R.G. Bryans (H)	
Deputy of St. Peter	
Deputy R.J. Rondel (H)	
Deputy A.D. Lewis (H)	
Deputy of St. Ouen	
Deputy L.M.C. Doublet (S)	
Deputy R. Labey (H)	
Deputy S.M. Wickenden (H)	
Deputy S.M. Bree (C)	
Deputy M.J. Norton (B)	
Deputy T.A. McDonald (S)	
Deputy G.J. Truscott (B)	
Deputy P.D. McLinton (S)	

Draft Medium Term Financial Plan Addition for 2017 – 2019 P.68/2016

THE STATES resumed consideration of the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016) and rejected paragraph (1) of an amendment of the Corporate Services Scrutiny Panel (P.68/2016 Amd.(8)) that –

(1) after the words “as set out in Summary Table B,”, there should be inserted the words –

“except that net revenue expenditure shall be decreased for each Ministerial Department and Non Ministerial States Funded Body in 2017, 2018 and 2019 by an amount to be calculated by the Department for Treasury and Resources in order to reduce the vacancy rate (defined as budgeted against actual FTE) for that Department or Body in 2016 to a maximum of 3%;”.

Members present voted as follows –

POUR: 17

Senator S.C. Ferguson
 Connétable of St. Saviour
 Connétable of St. John
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy of Grouville
 Deputy J.A. Hilton (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy K.C. Lewis (S)
 Deputy M. Tadier (B)
 Deputy M.R. Higgins (H)

CONTRE: 29

Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 Senator I.J. Gorst
 Senator L.J. Farnham
 Senator P.M. Bailhache
 Senator A.K.F. Green
 Connétable of St. Helier
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Lawrence

ABSTAIN: 1

Deputy R. Labey (H)

Deputy J.M. Maçon (S)	Connétable of St. Mary
Deputy S.Y. Mézec (H)	Connétable of St. Ouen
Deputy A.D. Lewis (H)	Connétable of St. Brelade
Deputy S.M. Bree (C)	Connétable of St. Martin
Deputy T.A. McDonald (S)	Deputy of Trinity
Deputy of St. Mary	Deputy E.J. Noel (L)
	Deputy of St. John
	Deputy S.J. Pinel (C)
	Deputy of St. Martin
	Deputy R.G. Bryans (H)
	Deputy of St. Peter
	Deputy R.J. Rondel (H)
	Deputy of St. Ouen
	Deputy L.M.C. Doublet (S)
	Deputy S.M. Wickenden (H)
	Deputy M.J. Norton (B)
	Deputy G.J. Truscott (B)
	Deputy P.D. McLinton (S)

Following the rejection of paragraph (1) of the amendment of the Corporate Services Scrutiny Panel (P.68/2016 Amd.(8)), the Deputy Bailiff informed the Assembly that paragraphs (2) to (5) of the same amendment were deemed to have been withdrawn.

Changes in Presidency

THE STATES re-assembled after the lunch adjournment under the Presidency of Dr. Mark Egan, Greffier of the States. Dr. Egan retired from the Chamber during consideration of the amendment of the Corporate Services Scrutiny Panel (P.68/2016 Amd.(8)) to the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016), and the meeting continued under the Presidency of the Deputy Bailiff.

Draft Medium Term Financial Plan Addition for 2017 – 2019 P.68/2016

THE STATES resumed consideration of the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016) and commenced consideration of an amendment of Deputy Samuel Yves Mézec of St. Helier (P.68/2016 Amd.(12)) that after the words “Health Charge” there should be inserted the words “, which does not include an upper limit.”.

Arrangement of business for current meeting

THE STATES rejected a proposition of Deputy Michael Roderick Higgins of St. Helier that the Assembly should adjourn.

Members present voted as follows –

POUR: 16

Senator S.C. Ferguson
 Connétable of St. Lawrence
 Connétable of St. Brelade
 Connétable of St. Saviour
 Connétable of St. John

CONTRE: 24

Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 Senator I.J. Gorst
 Senator L.J. Farnham

ABSTAIN: 0

Deputy J.A. Martin (H)	Senator P.M. Bailhache
Deputy G.P. Southern (H)	Senator A.K.F. Green
Deputy K.C. Lewis (S)	Connétable of St. Clement
Deputy M. Tadier (B)	Connétable of St. Mary
Deputy of St. John	Connétable of St. Martin
Deputy M.R. Higgins (H)	Deputy of Grouville
Deputy J.M. Maçon (S)	Deputy J.A. Hilton (H)
Deputy S.Y. Mézec (H)	Deputy J.A.N. Le Fondré (L)
Deputy A.D. Lewis (H)	Deputy of Trinity
Deputy S.M. Bree (C)	Deputy E.J. Noel (L)
Deputy T.A. McDonald (S)	Deputy S.J. Pinel (C)
	Deputy of St. Martin
	Deputy R.G. Bryans (H)
	Deputy of St. Peter
	Deputy R.J. Rondel (H)
	Deputy S.M. Wickenden (H)
	Deputy M.J. Norton (B)
	Deputy of St. Mary
	Deputy G.J. Truscott (B)

Draft Medium Term Financial Plan Addition for 2017 – 2019 P.68/2016

THE STATES resumed consideration of the proposition of the Council of Ministers entitled ‘Draft Medium Term Financial Plan Addition for 2017 – 2019’ (P.68/2016) and rejected an amendment of Deputy Samuel Yves Mézec of St. Helier (P.68/2016 Amd.(12)) that after the words “Health Charge” there should be inserted the words “, which does not include an upper limit.”.

Members present voted as follows –

POUR: 18

Senator S.C. Ferguson
 Connétable of St. Saviour
 Connétable of St. John
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy of Grouville
 Deputy J.A. Hilton (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy M. Tadier (B)
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.Y. Mézec (H)
 Deputy of St. Ouen
 Deputy R. Labey (H)
 Deputy S.M. Bree (C)
 Deputy T.A. McDonald (S)
 Deputy of St. Mary
 Deputy P.D. McLinton (S)

CONTRE: 27

Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 Senator I.J. Gorst
 Senator L.J. Farnham
 Senator P.M. Bailhache
 Senator A.K.F. Green
 Connétable of St. Helier
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Lawrence
 Connétable of St. Mary
 Connétable of St. Ouen
 Connétable of St. Brelade
 Connétable of St. Martin
 Deputy of Trinity
 Deputy K.C. Lewis (S)
 Deputy E.J. Noel (L)
 Deputy S.J. Pinel (C)
 Deputy of St. Martin
 Deputy R.G. Bryans (H)
 Deputy of St. Peter

ABSTAIN: 1

Deputy of St. John

Deputy R.J. Rondel (H)
Deputy A.D. Lewis (H)
Deputy S.M. Wickenden (H)
Deputy M.J. Norton (B)
Deputy G.J. Truscott (B)

Changes in Presidency

The Deputy Bailiff retired briefly from the Chamber during consideration of an amendment of Deputy Samuel Yves Mézec of St. Helier (P.68/2016 Amd.(12)) to the proposition of the Council of Ministers entitled 'Draft Medium Term Financial Plan Addition for 2017 – 2019' (P.68/2016), and the meeting continued under the Presidency of Dr. Mark Egan, Greffier of the States, until his return.

Adjournment

THE STATES adjourned, having agreed to reconvene on Friday 30th September 2016 to continue consideration of the proposition of the Council of Ministers entitled 'Draft Medium Term Financial Plan Addition for 2017 – 2019' (P.68/2016) and associated amendments, and the outstanding items of public business.

THE STATES rose at 6.00 p.m.

DR. M. EGAN

Greffier of the States