

STATES OF JERSEY

OFFICIAL REPORT

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[9:31]

The Roll was called and the Dean led the Assembly in Prayer.

PUBLIC BUSINESS - resumption

1. Removal of Compulsory Independent Taxation for Existing Married Couples and Civil Partnerships (P.32/2023) - as amended (P.32/2023 Amd.) (P.32/2023 Amd.(2).) - resumption

The Deputy Bailiff:

We now return to the debate on the removal of compulsory independent taxation. The Members listed to speak are Deputy Bailhache and Deputy Howell at the moment. Yes, Deputy Millar.

Deputy E. Millar of St. John, St. Lawrence and Trinity:

I would just like to ask a question. I am not sure if it is for you or the A.G. (Attorney General). I am sorry for the late question about the actual wording of the proposition because I do think it is somewhat ambiguous. As we discussed yesterday, following Deputy Farnham's speech, the proposition uses the term "a joint tax return" in paragraph (a) and it then refers to joint taxation in paragraph (b) and indeed paragraph (c). As the Minister mentioned yesterday, we do not have joint taxation. Joint taxation is not a term of our Jersey law. What we have is married man's taxation where, to emphasise the point, the wife's income is treated as that of the husband and the husband makes his tax return, which includes the wife's income. How does this proposition then stand because a certain Minister for Treasury and Resources could take a very literal view of this and say we do not have this therefore I can ignore it, it is ineffective? The reference to joint tax suggests either a continuing misunderstanding about the nature of our tax system or because joint tax is a more palatable way of describing it than married man's taxation. But what we are talking about is married man's taxation. There is nothing joint about it. So what do we do with this? Do we assume that joint tax is referring to married man's taxation and how does the Treasurer deal with this going forward?

The Deputy Bailiff:

Do you want me to respond to that briefly? The proposition is in order, it has been ruled in order so the Assembly is entitled to debate it and it is debating it. It is really for the proposer to say what he means, and if it is not clear then he will make it clear in his closing remarks.

Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:

May I ask a question of the Attorney General, Sir, because this phrase "married man's taxation" is being, let us call it, weaponised for this debate. Where in the Income Tax Law, may I ask the Attorney General, does the phrase "married man's taxation" or married man's anything appear?

The Deputy Bailiff:

You are going to now deal, are you not, with the questions that you were left with yesterday, is that right, before you resume with the debate?

Mr. M.H. Temple Q.C., H.M. Attorney General:

If I might deal with Deputy Farnham's question first. I thought I had made clear in my answers yesterday, the term "joint taxation" does not exist; it is not used in the Income Tax (Jersey) Law 1961. Article 121 of the Income Tax Law provides for ... effectively when read in conjunction with the definition of spouse A and spouse B in the Income Tax Law, it provides that the income of a wife is presumed to be or treated as the income of the husband for the purposes of income tax assessment. The concept of joint taxation is not one that exists in the 1961 law. If I might turn to Deputy Bailhache's question or revised question to me that he put last night. Deputy Bailhache's question

asked me to reflect on the draft legislation that has been lodged in relation to stage 2 of independent taxation, which is due to be debated by the Assembly at the next sitting. He specifically asked me to look at schedule 7 of the draft law and consider whether that form that is set out in schedule 7 would solve any difficulties as regards the reservations that have been lodged by Jersey in relation to the C.E.D.A.W. (Committee on the Elimination of Discrimination Against Women) Convention. But looking at schedule 7, that provides a transitional provision in relation to the tax year 2024. It is one that is not intended to be permanent. The way the draft legislation works is that it makes independent taxation compulsory for the years 2025 onwards. But schedule 7 provides for an ability for cohabitees or civil partnership or married couples to opt for independent taxation early in the year of 2024 and also to opt for that unilaterally. So either spouse or either civil partner can opt to do that for 2024 independently of each other. It does not have to be a joint decision. In terms of how that corresponds with C.E.D.A.W., in my view schedule 7 itself does not create any issues as regards C.E.D.A.W. because it is only transitional in nature and it is providing more fundamentally the ability to opt for independent taxation earlier on. That is my answer.

Deputy C.S. Alves of St. Helier Central:

Could I just ask for some clarification from the A.G.? He mentioned “cohabitees” in his answer. Did he just mean ... was that a slip or ...?

The Attorney General:

That was a slip. It was meant to be married couples or civil partners.

Deputy M.R. Scott:

Just with respect to schedule 7, paragraph 3 has a paragraph saying: “Partners to be taxed jointly.” Will the Attorney General just confirm that is perhaps a bit misleading in the context of this discussion because ... thank you.

The Attorney General:

It is. The use of that language is perhaps somewhat misleading because it is essentially saying that unless someone opts for independent taxation then they are treated as carrying on with the current regime of the spouse’s income to be treated as her husband’s income, or the female civil partner to be her income to be treated as the income of the male civil partner, so that language is somewhat misleading.

Deputy M.R. Scott:

Just to follow up, that is not just confined to the female? You could be talking about 2 men or 2 women, depending on the nature of the relationship, I understand, is that right?

The Attorney General:

I would need to check that.

[9:45]

1.1 Deputy P.M. Bailhache of St. Clement:

The debate yesterday seemed to me to show a gender division in the Assembly, which is unusual and indeed rather sad. May I make it crystal clear therefore that I do not wish to turn the clock back to 1928, nor do I subscribe to the view that married women should be under the control of their husbands, nor do I seek to facilitate the economic abuse of women. I do not believe in fact that any Member of the Assembly wishes for any of those things. With great respect to them, I think that the passionate speeches of Deputy Millar and Deputy Miles were off beam. That is not what Deputy Farnham is seeking to achieve. One might feel strongly that independent taxation should be compulsory but that does not mean that those holding a different view are trying to perpetuate the

subjugation of women. No one, but no one, is seeking to compel married people to accept that one of them has primacy over the other. Indeed it is the complete antithesis of that. Deputy Farnham is pro-choice. He is in favour of giving men and women the right to continue to choose to file a joint return if that is what they wish to do. But they must both want it. It will not be possible for a husband to decide that issue for his wife. All that is sought is to preserve, for those who want it, the right that they have exercised, sometimes for decades, to file a joint return of income for tax purposes. I declare an interest in that my wife and I are among those people. When we married nearly 40 years ago my wife told me: "I do not want anything more to do with tax. You deal with it", and so I have for 39 years. Why does that have to change? It is due to change because the Government says: "We know what is best for you. Everyone must file an independent return whether they like it or not." If independent taxation becomes compulsory I shall in fact have to fill in 2 tax returns and not one. I shall have to go through the process with my wife's forced co-operation of getting her a Yoti identity, and remembering how long it took me to get through that labyrinthian process some years ago that alone is not a happy prospect. The Tax Department will have 2 tax returns to deal with and not one to administer. I struggle to see how that is more efficient, bearing in mind the thousands of people involved. I think this is essentially a generational issue and I have no objection, the Minister for Treasury and Resources will be pleased to hear, to joint returns being gradually phased out. My children would not dream of not filing independent tax returns but thousands of older couples do not all see it that way. They do not want to change the habits of a lifetime. I do not know what the figures are but there are certainly a substantial number of them and they are probably those who take the trouble to vote. What I find so frustrating about this debate is that the object is not difficult to achieve. The Draft Income Tax (Amendment - Stage 2 of Independent Taxation) Law lodged by the Minister for Treasury and Resources on 6th June makes that absolutely clear. The new schedule 7 applies to those who have elected not to be independently taxed for the 2024 year of assessment. It sets out clearly how it can work in tandem with a system of independent taxation. That could easily be extended to the year of assessment 2025 and indeed 2026, and so on. A light stroke of the pen by way of amendment to schedule 7 could achieve that end. The Minister's draft law would not have to be torn up with a fresh start if Deputy Farnham's proposition is adopted. The Minister's comment suggests that this would cause immense complications but I am afraid that that is special pleading. It obviously is not complicated because the Minister's own draft law makes provision for 2 systems to operate in tandem. Indeed the comments of the Minister for Treasury and Resources contain a number of tendentious statements. It is claimed that the policy for compulsory independent taxation has been developed over several years in response to Islanders' preferences. I do not recall ever being asked whether I wanted to be compelled to file an independent tax return, and my wife too. It is easy to frame questions to get the result that you want. I am sure that most Islanders want independent taxation to be readily available but that is an entirely different issue. The report of the Minister for Treasury and Resources in projet 41 states this in the introduction: "Until recently, a married woman's income was always treated as the husband's income; the filing of the annual tax return was the husband's duty; the tax liability was in the husband's name only; and a married woman, when trying to access tax information, would be denied that access unless her husband provided express permission. These anachronisms will be confined to history if States Members vote to introduce mandatory independent taxation." That is, I am afraid, a misleading statement because the anachronisms have already been confined to history. It is not related to mandatory independent taxation. When a system of independent taxation is introduced, although not mandatory, the discriminations will have gone. Any person can choose to be independently taxed if he or she wishes. No married woman or partner B in a same-sex relationship will be denied access to their own tax information. The anachronisms will already indeed have been now, to a certain extent, confined to history. A great social leap forward has already happened, and quite rightly too. What this is about is denying the right of some married couples who have filed joint returns in the past to continue to do so. As I have said, I am sympathetic to the notion that the dual system should not last for ever. Deputy Farnham's proposition achieves that. If the Minister really wants a tax regime which does

not permit married couples to file, in effect, a joint return, why does he not offer some inducements to such taxpayers to change to independent taxation. Offer some allowances which are only available to those who file independently. Get his talented officials to use their imagination. Is that not a better way of proceeding than the nanny knows best approach where people are compelled to do what they do not want to do. Thousands of taxpayers do not want to change from a system that is convenient, easy to understand and familiar. They should not be forced to do so. I am going to vote with Deputy Farnham.

1.1.1 Deputy A. Howell of St. John, St. Lawrence and Trinity:

Yesterday we heard some impassioned speeches, including those from Deputy Elaine Millar, Helen Miles and Deputy Hilary Jeune. I understand their arguments. I too am a proponent for women's rights and I too would never want a woman to be regarded as a chattel of her husband. So for any person who wishes to fill in an independent tax form, then I fully endorse them in being able to do this. It would seem however that very few couples have opted in voluntarily. I think I understand why. Most couples have been filing their tax in this way for very many years and are happy with the arrangements. I think some 18,000 couples have chosen to stick with the current system. That is 36,000 individuals, almost a third of the number of people living in Jersey. If mandatory independent taxation goes ahead, some of those being asked to submit individual returns will be worse off in the future than they are now. The Treasury Department has come up with a suggestion of a compensatory allowance for 10 years but after 8 years it will need to come back to the States. The trouble is I am unsure how this will be administered. Presumably to work this out the department will seek the permission of both parties and will need to amalgamate the 2 individual returns to work out the compensation. Who is going to receive the child allowance? You can say you may split it 50/50 but what happens if someone is looking after the child 80 per cent of the time? How will the amount a student receives to go to university be worked out? I am sorry but I feel we are heading for another muddle, just as we headed into a real muddle when forcing all Islanders to change to current year taxation. I would like to read out an email that all States Members received, this is from an Islander: "I totally object with being informed that from 2025 I will be forced to move to independent taxation. I am a married woman of over 32 years and I am also the wage-earner in our relationship, with my husband now being retired due to ill health. I think that couples who are married or whom are in civil partnerships should be given the right to decide if they wish to have independent taxation. You tried this option before, that people could change to independent taxation if they wished and you can see that it was not very successful and I think that speaks volumes, that it is not wanted, not required and certainly not the right way to go. I think when this debate comes up in the States this week you need, for once, to listen to the people of Jersey and understand their needs, not what you think is beneficial to your beliefs." I am not a fan of making things mandatory, I stand for choice. I was elected to represent the views of Islanders in the States Assembly. I am listening to the people of Jersey.

[10:00]

I shall vote in favour of Deputy Farnham's proposition and hope that enough of us do the same, so that Islanders can choose how they wish to file their tax. They can elect to pay independently or as they do now. Please, support this proposition.

1.1.2 Deputy B. Ward of St. Clement:

Deputy Howell seems to have taken my speech but I have promised people that have contacted me that I would stand up and echo their views and I think it was my duty, as someone who has been elected to do so, so that it is on record. Forgive me if I am going to repeat some of the aspects that Deputy Howell has raised today. I thank the Deputy for bringing this, I think it is a very important proposition to the Assembly for a debate. As I have just alluded, that I have been contacted by many Islanders very concerned about what may be happening in the future, having to be taxed separately

from their partners, especially as they have been taxed as married couples, some for up to 40-plus years. The people concerned think this new idea is so wrong, dictatorial and that their right to choose will be eroded and taken away. The evidence demonstrated to date set out in the proposition is we are talking about 19,000 couples who pay taxation and out of those 19,000 at the time was 2.4 per cent chose to move to independent taxation ahead of any new changes in the taxation legislation. This, I do believe, is an overwhelming evidence that there are 18,500 couples, or should I say 37,000 people or Islanders or voters, out of a population of 105,000 have spoken and exercised their right to choose, indicating that they do not wish to be compulsory-taxed independently. So, 37,000 is about a third of our adult population; that is a lot of people. We, as an Assembly, were elected to listen to the electorate, be open and transparent, and I feel I cannot ignore those 18,000-plus couples or 37,000 people on this. I also believe that we should protect the people's fundamental right to choice, especially if this has been in practice for the past 100 years and has worked well. If we ignore the right to choose in 2025 this right will be removed and applied, what I believe is retrospectively, affecting many thousands of people. I also feel that it seems to me that we are being forced to fit around computer systems and in this day and age it should be the other way round and the I.T. (information technology) systems should be able to facilitate what we want. The Deputy and I may have differed in the past on certain topics but today I must say that I am totally in agreement and will be supporting the Deputy's proposition. Thank you everybody for listening.

1.1.3 Connétable K. Shenton-Stone of St. Martin:

I cannot in good conscience support Deputy Farnham's proposition. I was a member of the previous Minister for Treasury and Resources' review panel into women having the right to file their own taxes. We fought for the right for women not to be subservient to their husband, not to be known in law as chattels. We are in 2023 and not the Dark Ages. The U.K. (United Kingdom) law changed in 1990, people in the U.K. have managed with the change. The previous Government tackled this and was well-supported. Deputy Farnham was Deputy Chief Minister at the time and I believe he voted for it. I am proud that I was also responsible for the funding into the work to be carried out into violence against women. How can I, in good conscience, vote for this? Sadly, there is a high percentage of economic abuse in Jersey. There are of course many, many wonderful marriages and partnerships with no hint of coercion or abuse but these are not the ones that we are concerned about. I have been told by fellow Members that we have to think of old married couples, well, yes, but we cannot not move forward because of this section of society, a section, I realised yesterday, that I am a member of. I have been married for 37 years, which is nearing 40, and I and my contemporaries do not consider ourselves old or incapable and nor do most people. We have the most wonderful women in the Parish, many of whom are widowed; my favourite one is nearly 90. Women are very strong, we are not what is being portrayed in the States Assembly at the moment. The majority of women earn now. My pay should not be an extension of my husband's pay and nor should any other women's salary. It is a misnomer that we have joint taxation. This is a married man's taxation. The wife's income is treated as her husband's income. Deputy Bailhache says that thousands of people do not want to change but thousands of people do want to change and should we not take these people into account? Joint taxation is not mentioned in the 1961 taxation law. Voting for this leaves women as subservient to men and I cannot tolerate this. Before you vote on this please think if you are for equality, equity and fairness; if you really, really are. If you are, please reject this proposition because voting for this proposition is just paying lip service to equality.

1.1.4 Deputy S.Y. Mézec of St. Helier South:

I was very grateful yesterday to the Minister for Home Affairs for drawing attention to the Assembly an article in the *New York Times* where I am quoted. I did not realise I had reached such lofty heights. As she recited the quotes in there, I could not help but think that I could not have put it better myself. I said back then that Jersey's tax system and, in particular, I would say the pernicious and out of date and medieval element of our tax code which treats the income of married women as that of their

husband's is totally unjustifiable, does not fit into the modern age, goes against all those principles of equality, and I stand by that 100 per cent. I look forward to the day where we can say goodbye to that element of discrimination in our tax code. I stand by that wholeheartedly and my voting record in this Assembly is clear on that where I voted in favour of the transitional arrangements in 2019, where some who are now in Government abstained, and I voted in favour of the stage one part of independent taxation, where some who are now in Government voted against, and I am perfectly happy to say that. Independent taxation makes perfect sense on so many other levels as well. It makes sense on a practical basis for administering the system. It makes sense on the basis of fairness and equity for everybody to go through that system on the same basis. I want to see an income tax system which is based on those principles of fairness, a progressive tax system and equity. I must say I do enjoy the irony of hearing others make that same case as me, having in the past voted against simplifying our tax system by abolishing 20 means 20 calculation and putting everyone on marginal relief. I enjoyed the irony of that debate taking place immediately after we have had a debate on the high-net-worth tax arrangement, a separate tax arrangement. All those arguments about bureaucracy count equally valid for that as well, and that is nothing but discrimination so there is a clear double standard there. I think having an equal, fair tax system on the basis of independence for everyone makes perfect sense. This debate is not a question of the principles, it is about the practicals and whether what this Assembly will eventually be asked to adopt does what it is meant to do and whether it genuinely serves the interests of Islanders. I have little hesitation at this point in describing what we are going to be asked to support as a fudge because it does not do what it is meant to do. I am very happy to say that when I voted in support of the stage one of independent taxation, as did my Reform Jersey colleagues at the time, we put on record very clearly that though we supported that principle wholeheartedly and voted for it at that point, that that support would disappear instantly if at the next stage of this process we do not get the safeguards that we require in terms of ensuring that those on low and middle incomes are not unfairly penalised and that the allowances are put in place in such a way to secure that for these people, and that has not been done in what will be coming forward to this Assembly. I have seen tax experts out there in our community who have commented on this, who have described the independent taxation that we put to this Assembly as nothing more than an illusion. Here is why. You will be asked to do 2 separate tax returns, that will be independent and it will be each member of that relationship's legal duty to do that, not the legal duty of the other person in the couple to do it. One will do their tax return, the other will do their tax return, they will do that separately, they will file them separately and the first thing the Tax Department will do is they will get them both and put them together to decide how much tax they owe; that is not independent taxation. I would ask the question about the practicals here. If you have a couple who submit their tax returns separately they receive their tax assessment separately. The Tax Department uses the formula they have come up with to put their compensatory allowance together and work out how much tax each of them owes and say that appears to work all fine. Then a few months later it is discovered that one person in that couple filed an incorrect return and, therefore, the compensatory allowance was calculated incorrectly and somebody had spent months paying for it incorrectly, they could be criminally liable for not paying the tax that they were meant to. If they do not fix it, again could be criminally liable for that for the mistake of their spouse, not their own mistake. Some independence is that. There have been allusions to other systems about how they facilitate independent taxation with transferable allowances. I believe Deputy Scott has mentioned this, and she is quite right, there are other systems that can work perfectly well to do that, that provides you with genuine independence and provide couples with choice on how they want to distribute their allowances between themselves and maintain genuine independence that way and freedom of choice through a system of independence. Or you can have the system that instead is proposed with a compensatory allowance with inequities throughout it because of the generational unfairness that will be, depending on when you got married in that process. The cloud that will be hanging over you over the next 10 years about what will happen to you when that compensatory allowance disappears or if it does disappear or if we find a different transitional arrangement at that point. Prolonged

anxiety, prolonged confusion and for what? When we could have found an option for independent taxation that dealt with that. I am not going to accept any kind of guilt-tripping over this proposition, as someone who staunchly believes in the fairness and the practicalities of independent taxation as the best way of having a tax system and for not having any sympathy whatsoever with views and values that are, frankly, well out of date about how women's income should be treated in our tax system. That is why I find it so disappointing that when there is such agreement on that principle we have the practicals put before us that do not do the business; that is unfair on us and it is unfair on our society. I say to Deputy Farnham in lodging this proposition, which I think in it has a tone which I do not agree with, however, I can still support it on the basis at least of paragraph (c), which I am surprised has not been referred to by other Members who have spoken against this proposition, given that it very clearly asks that there are steps to modernise those taxation returns, that gives the Government a mandate to at least start removing some of those elements of discrimination that still exist within our tax code.

[10:15]

But in the meantime, at least maintain the choice for married couples and civil partners - I know there are semantics about this - for a return that covers both people's income in that return. I would like to see it revisited very soon in the near future where we can come up with a version of independent taxation that does what it is meant to do, provides equity across the system and is not placed on the fudge that is before us, which is not true independent taxation because of the liabilities that will still remain in most cases will be the wife or partner B or whatever they are called in the tax code, that will still remain there, that they will still be at risk of punishment if things go wrong and which determines how much tax they pay in the first place. That is not real independent taxation and we still have that door open for people being made worse off in the future if that compensatory allowance is not dealt with. There are other ways to do it. It is disappointing that that is not what the Assembly is being asked to decide. I reluctantly vote in support of this proposition to give us some breathing space to get it right, so we can have proper independent taxation and not the fudge that has been put before us.

The Deputy Greffier of the States (in the Chair):

Before calling on the next speaker, can I draw Members' attention to the fact that in the public gallery accompanying the Deputy Bailiff is His Excellency Bruno van der Pluijm, the Belgian Ambassador, who is visiting the Island at present and can I ask Members to welcome him in the customary fashion?

[Approbation]

1.1.5 Deputy L. Stephenson of St. Mary, St. Ouen and St. Peter:

I do not propose to go over the speeches of those who I absolutely agree with, the likes of Deputy Millar and others who made some extremely good points yesterday; Deputy Miles and Jeune and then the Connétable of St. Martin this morning. Those points were extremely well made and I just put on record that I absolutely agree with them. I just want to pick on a few points that I think certainly I would like to be added to this debate. The first is in his opening Deputy Farnham referred to the low uptake of those voluntarily moving as evidence that people do not want this move, and I think that is just absolutely not true; that is not how these things work. I am one of those individuals who has not opted to move to it. It does not mean I do not agree with it. It reflects more, I would say, human nature and people's busy lives and I would say that it is not fair to claim and put words in those people's mouths that that means they do not support it. What I would also add on a similar note is that this move was very widely consulted on over 4 years and I think we are forgetting that point here. It is very easy to take the emails that States Members are sent in the weeks running up to a debate as evidence that everybody feels that way. Of course those views are hugely important and we should listen to them and engage with them and take them into account. But just like when you go on social media and people comment on a *J.E.P. (Jersey Evening Post)* story or similar, they are

not the whole world, they are not the whole Island and they are not all of taxpaying people in Jersey. I appreciate that not everybody will have taken part in the consultations as well but when those consultations were carried out by specialist research companies they look at getting representative groups of people together to try to ensure that there has been wide consultation. Over the last 4 years there have been focus groups, there have been social media questionnaires, there have been online and phone surveys run by specialist research companies, all trying to ensure that they get a mix of people of different ages as well because we are talking a lot about age and different generations in this debate, I think. A clear majority has always come back in favour of independent taxation, and fairness and equality were always at the heart of those views. They are the official results from the consultations, they are the conclusions that have come back from those. Most of those who I have heard from recently, as I say, who are objecting to this move now and are affected by it, as I say, those views are important and valid and of course those people have a voice. But I do think it is really important that we point out a few things about many of those. The conversations that I have had, when you do start to dig down a little bit, if we are being really honest most just do not want to do it. Change is not easy and it can be really daunting, it can be irritating and it takes time and often effort to get used to it. I really do think that is what we are seeing here in a lot of these cases. I have huge sympathy for those people - of course I do - and it is absolutely right that we work hard to support them in a transition, as you would absolutely expect. I would point out, as Deputy Millar did yesterday, nobody is going to be worse off than they are currently because of the arrangements that are being put in place, so really it is coming down to those practicalities. If I am being really honest, for me that is not a good enough reason not to take this very important step. It is a step into the modern world with fairness and equality at its heart, just as a majority of those Islanders who engaged with those consultations over 4 years asked us to do. There has been a phased approach. I think a previous speaker this morning has talked about let us take a phased approach to this. We are taking a phased approach and this has been in process for a number of years. Let us not forget the last Assembly, as Deputy Mézec just pointed out, approved this, the latest step in this phase, on 15th September 2021. Members voted 41 to 2 in favour of continuing with the process of introducing independent taxation. Many of those Members are in the Assembly today, including Deputy Farnham, and he voted in favour for it. My question to Deputy Farnham that perhaps he could consider answering in his summing up is: what has changed? I appreciate that the previous speaker has just made a point that he believes something has changed and I appreciate that and I take that point. But I am struggling to see in the proposition before us today because this is not on the details that we will be debating in a couple of weeks' time, this is on a very different specific proposition; I am really struggling to see what has changed. Because of that, how can this Assembly justify at this stage scrapping a plan that has been extensively consulted on, overwhelmingly endorsed by this Assembly previously, and which Islanders have known has been coming for a number of years? Just because we have reached the most difficult part of the process does not mean we should give up now. As other speakers have said, we are in this Assembly with a great deal of responsibility but with that comes a responsibility to make decisions in the best interests of our Island, even when times may get a little bit difficult. There may be times when we can rightly justify going back to the drawing board but I do not see any justification here and quite the opposite, this debate has shown me that we really cannot be complacent about those moves towards fairness and equality that we all like to talk about so much. Just as a final point, Deputy Mézec, I think, quite nicely made the point that he does believe something has changed since the previous decision but, with all due respect, this proposition, as I say, is not about the details and I cannot see that anything has changed. This is about the principle of a move to independent taxation which would, effectively, reverse that decision as previously been made.

1.1.6 Deputy T.A. Coles of St. Helier South:

I am going to say this and it is very factual, but I did speak to my wife before we talked about the matter of her tax affairs because we have signed up for independent taxation because it does suit our

needs. My wife is self-employed and has very complicated records, which she keeps; they are not mine. We even had the discussion about how I would refer to my wife in this conversation. I did not like the possessive pronoun of “my wife”, she is not mine at all, she is herself but she preferred it to “the wife”, so I will go with what my wife has said. **[Laughter]** First of all, I want to mention about how the process of signing up for independent taxation worked and it was a nightmare. It was very, very difficult. We missed the first cut-off because it was the date we got married, then when we came back round to sign up for it, again there was a bit of a family emergency, which sort of took time to deal with and it completely slipped our minds. It was not something that we could apply for, when we realised we missed the last one, and just put the form in and wait. We had to do it within a particular window, so that became very, very difficult. Eventually only because I got elected as a States Member and we have our own member of the tax team who helps us with our affairs was able to submit the form on my behalf, considering another officer has said that I had missed it and we were not going to be allowed to. It was incredibly difficult and this is why we may not have seen as many people sign up for independent taxation already. However, does that mean that the compulsory move suits everybody as well? For a lot of people they will benefit greatly from the move to independent taxation and these people are some of the more wealthy in our society. There are a lot of people who are currently taxed together on the standard rate of tax and the 20 means 20 because their joint income is incredibly high. These individuals will be given £18,500 by the tax office for going to independent taxation; they will become better off. We then have a situation where people who are getting married after this deadline will lose a safety net that exists for married and civil partner couples already in our tax allowances. At the moment an individual will be given £18,500 for their personal tax allowance but a married couple with a single income are given £29,750. Under independent taxation people going forward from 1st January 2022 will lose a safety net of £11,250 because there is not adequate support and protection for people who move to independent taxation. We will hear that of course these people who are getting married will not have had that already but when you get married and you join yourself in a proper union you take up more risks and things. You may have children, yes, you will still have child allowances, you might get a mortgage together; your outgoing costs will increase. But let us not forget that we do not have independent social security, so we are not covered independently should something go wrong. I am fortunate in this position that I got married before the cut-off time, so the compensatory allowance will apply to me, however, somebody who gets married this year will not be entitled to compensatory allowance. I am going to go out on a limb here, if Deputy Mézec gets married this year **[Laughter]** finds himself in 3 years’ time unable to get elected and, unfortunately, may have made himself unemployable by some of his thoughts and opinions in this Assembly, his wife will be financially responsible for him because he will not get social security that will make up the difference. They will be £11,250 worse off than a couple married before, so I ask, where is the equality in this? We have already said that the people on the standard rate who will then be filing separate will be given £18,500. I am just concerned, and this is where Deputy Alves’ amendment to Deputy Farnham’s proposition helps provide that safety net, so people can choose whether they feel safer to have that safety net or whether they do not. It becomes their choice, a pro-choice proposition I believe that had been referred to as. That is not to say that we cannot have a model of independent taxation that works. Deputy Scott and Deputy Mézec have both mentioned transferable thresholds; it is allowed in British Columbia, it is even allowed in the U.K. There are mechanisms that we can put that will allow people to transfer exemption thresholds. If that was part of the debate coming up in the next sitting, then I probably would not be supporting this because we would not need to have the safety net because people would be able to choose whether they would be better off transferring allowances or not. But, unfortunately, that is not what is coming forward and so this is why we need to support what has been brought forward by Deputy Farnham today and Deputy Alves’ amendment to that as well. I do urge everybody to vote for all parts of this.

1.1.7 Deputy R.J. Ward of St. Helier Central:

Follow that one; I will not pick on my fellow party member in the same way.

[10:30]

My wife, I totally agree with that and I do not know what I would say, so I am going to say nothing; I think that is the best way out of that. I want to pick up, and there is a very important point here about the individual and income tax as a lone entity. Let me give you an example of a real inequality that affects women, and I hope that in the future when we look at this and if something is brought it is supported by those who have said that if we do not support this then we are guilty of not believing in equality. If a woman on income tax with children meets a new partner and that partner moves in with them, it is assumed that that partner will contribute to the household because income tax is a household benefit. This partner moves in and that assumption is made and then if they do not inform Income Support quickly enough they can very quickly be in line for an overpayment. In fact the system is designed to have overpayments; that is a reality and so are likely to have an overpayment. Then that person said: "You can pay us back £18 a week over time." If it turns out that the partner who moved in is perhaps not the person that the woman thought he was, is abusive or whatever and then moves away, the person left with that debt is the woman in that relationship and that is the outcome of our system of income support not being individual. We seem to be happy with that as an Assembly and it seems to be that those who have spoken so strongly - and I agree about the importance of equality and the importance of independence - are not willing to address that issue. That needs to be addressed at the same time, and I believe Deputy Tadier made that point, and we had a really good discussion on this. Deputy Tadier made some very, very good points on that and I think that is something that needs to be looked at. That is the point and the devil is in the detail of these things. If you look in the actual proposition it does give the option for independent taxation and if that is what one chooses one can choose to do that. This is a classic example of the computer says no again. We seem to have so many systems on our Island where our computer system will say: "No, you cannot do that." "Why not?" "Because the computer cannot do it, I am afraid." I know people will say I am going on about this too much but, unfortunately, this Assembly voted to not stop carpet loans, so there are some people still on the lowest incomes paying back their loans because they agreed that the computer says no. I would ask Members who voted that way to look again at themselves and say if that needs to be changed, because that was exactly the same argument. We cannot keep doing this with our computer systems. The ability, therefore, for independent taxation is there. I will say the way that you fill out your tax form in a modern relationship, and I have only been married for some years but we have a modern relationship because we are equals. I desperately hope that that is the way my relationship is seen with my partner - that is the wrong word - whatever word it is, my significant other; that is a great phrase. Let us use that one. But the taxation in this form, as somebody had mentioned, they did not opt for individual taxation because they just simply did not have the time. What I suggest is this, and this is the test of the ability or not of this taxation system to work that is proposed, if we give more time for people to opt, if this is such a good system people will opt. I would suggest that the growing Comms Unit is used to get this information across to people. By giving people the option for a few years to say you can stay in the taxation system with that or you can opt. This will be such a good system when the legislation is brought, that people will look at it and say: "Of course I am going to opt to independent taxation, all the protections are there, everything is there. I can express my rights as an individual and I will opt." But that has not happened and it is not happening because this is a fudge. Until we address the issue, and I know it has been said before but I am sorry I am going to reiterate it, until we have these transferable allowances we will not have truly independent taxation. This is not truly independent taxation. There are 2 people filing separately and then putting it together. I think it was the Minister who said that: "Of course, women may well get their husband to fill in their form for them or a man may get his wife to carry on filling in his form for him." That is not independent taxation; that is the recognition of a relationship. The problem with coercive relationships and inequality in this Island is much wider

than just how are we going to fill in these tax forms. I totally agree that you are not in possession of anyone, and quite right, but that is about genuine equality and we have massive inequality on this Island. We have so many women who have less rights because of their financial situation working 3 or 4 jobs, second-class citizens because they do not have the same rights as those who are here on different licences or different conditions. We are sitting here today and saying because somebody can fill in a separate form we have nailed equality. I am sorry, we have not and this needs to work. I have a problem with the fact it does not work. I am troubled with this, I did not agree with this proposition at the beginning and when we met, and we have our quite frank discussions, one might say I was dead against it. We went through it and I listened and we debated and we need to come back with this in a much more usable form with the allowances, as we have said. I do not like the guilt trip that is being used. I think it is inappropriate and I think it does not recognise the consistent work that many of us have tried to do in speaking out for equality throughout our careers in whatever we have done. I was not going to mention it but I will mention it, on my way in this morning and I saw 2 people that I know, 2 of the people I represent, who are more elderly in our community, who said to me: "You have got to vote for the amendment today." I explained the position and I said, yes, but: "Are you going to win?" I said: "Look, let me say to you, let me try and reassure you, even if it does not win there are compensatory allowances, so you should be okay. I will come and talk to you then if that is the case but stop worrying." I should not have to have a conversation with people about worrying. If the answer is going to be from a Minister: "They are worrying about nothing", I am sorry, that is not the way you deal with people. Worries are genuine concerns and you have to deal with people as people. If that is what has come through after all of the so-called consultation, all of the so-called communication, it has simply not worked and, therefore, we are not in the right position to make this change now. We need to give it more time and we need to communicate properly with people. With some difficulty over the principles, but Deputy Mézec did explain our position on that and we did say that at the time and I stick by that, I will be voting for this proposition - all 4 parts - because I think it will make an improvement and it still gives the option for independent taxation. I will say to the Minister, please, if you do lose this by having the amendment, please do not throw the classic baby out with the bathwater by pulling everything and saying we have got to start at square one because we simply have not. I perhaps rarely agree with Deputy Bailhache, and I know we are very different politically, but it is simple to extend for a year, extend for another year, give it time and if the system is working well in that time people will naturally move to that independent taxation because they will have the right to do that. I think there is a compromise position here that works better for people and deals with their concerns and there are many concerns. We have to be cognisant with that and I will finish.

1.1.8 Connétable K.C. Lewis of St. Saviour:

I will be very brief. Most of the constituents that have contacted me wish the present system to continue. If people wish to opt for independent taxation, the very best of luck to them, and those who wish to stay with the present system, then that is fine too. I have talked this over with my wife, it could be said that I could tell my wife what to do; good luck with that one. **[Laughter]** I have been married about 34 years and that is not happening. I do not have a problem referring to my partner as my wife. It is not a declaration of ownership, it is a partnership and I am her husband and long may that continue. It is just having the balance there that people require. Not everybody wants to rush headlong into this brave new world, if you like. But I do not have a problem, I am all for equality but I will be supporting this proposition.

1.1.9 Deputy S.G. Luce of Grouville and St. Martin:

As with many subjects, important subjects like this, there are strongly-held views on both sides and we have heard that from speeches in this Assembly and we have heard that in letters from the public some years ago, not that long ago, letters in support of independent taxation, quite rightly, and more recently those who do not wish to be taken down this road. I came to the Assembly yesterday with

a clear view that I was going to support this compromise, which I say it is a compromised proposition from Deputy Farnham because it says, and we need to read it: “Independent taxation should not be mandatory for married couples and civil partners who currently complete a joint return and who choose not to elect.” No obligation there, no mandatory obligation to do anything. Part (b): “To request the Minister to take the necessary steps to ensure that joint taxation remains available” for those who wish. No, nobody being forced to do that. Finally: “To request the Minister to take the necessary steps to modernise joint taxation.” Deputy Mézec is quite right, we need to continue to modernise this taxation but to do that: “To ensure that married couples and civil partners, who choose to remain subject to joint taxation, will have shared responsibility for their tax return and that both parties who do that tax return will be required to sign.” Gender neutral, completely equal across the board, both sides take the same level of responsibility. Then we come to the debate and I wrote down a few things here, joint taxation does not exist in law. The wording of this proposition is ambiguous. Is this proposition legal? Surely married men’s taxation is done away with by part (c) in my view and, as I said, it is gender neutral. Is it right that because the law is so outdated we cannot legally bring this proposition into being today? I do not believe that 2 wrongs make a right. I believe with this proposition it is a common sense compromised position that we need here and now to move forward. It does not force anybody to do anything. It moves in the right direction and I would urge Members to support it.

1.1.10 Deputy L.M.C. Doublet of St. Saviour:

I will respond to the previous speaker because it is very tempting when somebody rises and says this is a compromise. I can understand why Members might think it is a compromise because I think, as a Government, I do think we need to hold our hands up and say there is perhaps a better way we could have communicated some of these changes. The intention behind them is absolutely the right one and I think from the speeches that we have had today we all share that principle of equality, or I really hope that we all do. But this is exceptionally complicated and the Constable of St. Martin and I had some meetings, it was quite a few years ago now. We fought very, very hard for this change with other Deputies at the time and it was something that was really hard won. I recall being in meetings with the Minister of Treasury and Resources at the time, and it is a huge area of law and policy to try and get your head around. Some of the points that were raised by Members in the debate yesterday and some of the questions being asked of the Attorney General about, okay, could we have heterosexual couples having the same system as same-sex couples? We asked all of those questions at the time and we gave that challenge and we tested a lot of the thinking. I believe that we did get to a place that we were happy, as Back-Benchers we managed to convince the Government at the time that independent taxation was the way to go. For some of the reasons outlined by my colleagues in Home Affairs yesterday, because of those horrific abusive situations that so many women, a lot more than you would really be able to conceive of, and women from all different income levels and all types of backgrounds, are currently being subjected to financial abuse and coercive behaviour within relationships. We are facilitating that with our laws. This was a really hard-won battle and it was not a battle because we came together, the Back-Benchers who were fighting for this. We were listened to by at least some Members of the previous Government, the previous Minister who happened to be a woman; we found that common ground. But I do see that it is not perfect, perhaps the communications could have been better.

[10:45]

I think there is some fear among certain sections of our population and that fear has been quite rightly communicated to us and people have been petitioning us perhaps not to do this. But I think, as Deputy Stephenson said, that is a small minority of people and what I want to do is take the Assembly back to the first principles and look at the balance of harms that might be being caused by this. I think the principle of equality, it has been spoken about before and I am not going to go into that again because I think that has been established. I am going to touch on the balance of harms. There

are 2 harms that the Members bringing the propositions today are pointing out to us. As a Government, I am part of the Government, I am an Assistant Minister, I am listening to that and I think it is important that we are not in these factions of Government versus Back-Benchers or Government versus a party. I think it is really important that we listen to each other and that we are able to change our minds and are able to say during a debate, okay, I have listened to those points and I am going to go back and talk to my officers and perhaps do this a bit differently and take on board the points that have been made. The 2 problems that are being raised with us today via this proposition is problems with filling in the tax form, okay, and again previous speakers have covered this and I think have covered off those points. For example, if you are a woman married to a man who has always filled the tax form, of course he is going to help you, of course the Government are going to provide help for people to fill in those forms; that is something that is easily solved. The other problem that has been raised with us today and, again, we are listening, is the financial impact of not having the compensatory allowance going forwards. I think it is really good that Government provided that compensatory allowance at all in the first place; that is not something that we had to do and I think there was an overlap, was there not, between the previous Government who kind of set the course on this, together with the Back-Benchers who were calling for it? They were trying to effect this absolutely critical change, which we must do, they were trying to effect that change in the most practical way possible. Again, Deputy Rob Ward, I fully take his point about the computer says no argument because I remember as a Back-Bencher hating that response. If I was trying to make some change and calling on the Government to do something and getting a response, well our computer systems will not allow it. I do not think that is exactly what Government are saying. My understanding of it is it is not about computer systems, I mean I think it is about cost as well and we do have to be realistic about that. If we go with this proposition today and we approve it, and indeed if the Minister for Treasury and Resources does not decide to just pull the idea of independent taxation altogether because there is that risk - I am very worried about that - we might end up with 4 parallel systems. We might have still this married man's taxation that people either want to stay, opt into or are still in it through inertia or are still in it because they are in a coercive relationship and then we might have the separate assessment tax regime and then we would have independent taxation that was mandatory for couples that were married after 2022, 1st January, and then a fourth, independent taxation that was optional for existing married couples. It is very complicated. I am not sure that we all really have a grasp on what the system will look like if we approve this proposition today. I think it is going to be a big mess and I do not think it is going to achieve furthering equality that I think we all really want to achieve. What I am asking today and I am asking my colleagues in Government, I am asking the Minister for Treasury and Resources and the Assistant Ministers for Treasury and Resources to listen to the Back-Benchers because we are all Members of this Parliament, Back-Benchers or Government, party or not and we need to listen to each other. This is a debating chamber, it is not an arguing chamber. We should not be coming in here having already decided how we are going to vote and having already decided: "Okay, my allegiance is with the party, I am voting with them" or: "My allegiance is with Government, I am voting with them." We should be open to changing our minds. I am calling on my colleagues within Government. I do think that Members should vote against this and then I would like the Minister for Treasury and Resources and the Assistant Ministers for Treasury and Resources to come back with some solutions, with some clear ways that people will be helped with filling in their forms, with some clear options perhaps for the transferable tax allowances. Again, these ideas have been discussed by Back-Benchers, I think there are some good ideas there. Do what the Constable of St. Martin and previous Deputies and myself did and sit down together in a room and discuss those ideas and listen to each other. I think we can get to something that still will achieve that independent taxation. We must not delay that. What I want to do is read out something that the Women's Refuge have shared with Islanders this morning, I believe. Because of course the Women's Refuge are in touch with some of the most vulnerable women in our Island that we do not get to meet every day: "Jersey Women's Refuge wholeheartedly believe that Jersey should move to independent taxation for every individual, on a voluntary joint

taxation basis.” I think they mean by that on a voluntary married man’s taxation basis: “Women subjected to controlling and coercive behaviour stand little chance to attain financial independence. The systems around women’s rights need to be wholly fair and enable them to live freely. Independent taxation is crucial for safeguarding women’s rights and protecting women from domestic abuse and financial coercion. The current system leaves women vulnerable to abusive situations. We see evidence from survivors of economic abuse that it causes immense devastation to their lives. It is a very real issue. Independent taxation is an essential tool in breaking free from abusive relationships and establishing a safer future. Independent taxation grants women financial autonomy and the control necessary for their well-being and safety and contributes to a more equal society. Jersey must be a place where women are empowered to thrive free from the risk of financial exploitation and abuse.” I will just read one of those sentences again: “Economic abuse causes immense devastation to their lives.” I want Members when they vote today to think of the balance of harms. We have immense devastation, some very vulnerable women and children in those families as well and we have difficulties filling out tax forms, which we can help with that and some financial impacts which I think we can find some other options to help with as well. Please vote against this proposition. Do not delay the independent taxation changes any longer.

1.1.11 Deputy C.S. Alves:

I would like to start by thanking Deputy Farnham for accepting my amendment. My amendment, which is now paragraph (d), seeks to level the playing field for all married or civil partnership couples, regardless of when they got married or entered a civil partnership. A lot has already been said in this debate and my party colleagues have addressed a lot of the things that I was going to say. I am going to use this time just to address directly the comments published by the Government in relation to my amendment. But before I do that, I want to address the use of the term “married man’s threshold and taxation”, which I had heard a number of times during this debate and was also mentioned in the comments paper. I can categorically say that I have never heard it referred to as the married man’s threshold until now. It has always been the married exemption threshold with an extra allowance for working wife, which later became the second-earner’s allowance. In fact this is the language that is currently used on the gov.je website, and I have looked as far back as 2011 at the allowances and the thresholds. I have even checked my own copies of my past tax forms, which I am sure probably will not surprise a lot of people I do keep. Nowhere on these tax forms is there any reference to this married man’s taxation. If this is the correct terminology I would like to ask why is it that the Government itself is not using this terminology in its own publications and its own documentations? I do not understand to what end, what has that achieved by not using the correct terminology but now using it in this debate? Going back to the comments, the comments started by saying that what is being proposed effectively undoes the decision of the last Assembly to make independent taxation mandatory. This provides a choice, we have seen a lot of decisions from the last Assembly being undone during this term already for one reason or another. I think as my party leader mentioned previously, my party and I did agree on the principle of independent taxation in the last term. However, this was agreed on the premise that when the detail behind this came forward no one would be losing out financially and, unfortunately, this is not what has happened. As a member of the J.C.R.T. (Jersey Community Relations Trust), I am aware that the Minister for Home Affairs appealed to the committee to comment against this proposition. We had much discussion and, ultimately, the conclusion that the J.C.R.T. came to was this: “The J.C.R.T. are strongly in favour of independent taxation and are concerned that whatever the outcome of today’s debate its implementation is not overly delayed. The trustees believe that independent taxation is essential to the progression of equality for women and, very importantly, to free and empower women living in financially coercive relationships, to live life how they choose to. However, the trustees also believe it is important that independent taxation is delivered in a way that does not create new inequalities.” That is exactly what my amendment, which is now paragraph (d), seeks to eliminate. I cannot dispute that it is archaic that a woman or second partner should have to have their partner’s permission to

access their tax affairs and complete their tax information for them. I am all for and fiercely in favour of independent taxation as a way to enable ownership and access to our own tax records and contributions. That is why I am glad - and I think this has been mentioned a couple of times already - that Deputy Farnham did amend his proposition to now include paragraph (c) which asks to take the necessary steps to modernise joint taxation returns. Whether that is the right language to use or not I think it is quite clear what is meant in that paragraph. However, as the J.C.R.T. has highlighted in my earlier quote, I am not prepared to support something that will make some families financially better off than others. Now £3,000 a year loss may not seem like a lot to some Members of our Government but I can assure you it makes a big difference to families. The comments go on: "Among the administrative complexities that this amendment would introduce would be the need to understand the income of both spouses and (where necessary) match 2 (Independent Taxation) tax returns." Deputy Mézec mentioned this earlier, the Government have said that they will continue with compensatory allowances for those married prior to January 2022. Surely in order to ensure that these couples are financially not worse off, does this not mean that they will need to understand the incomes of both spouses and match the 2 independent taxation forms anyway, so surely this is contradictory. The compensatory allowances being proposed by the Government only applies to those married or civil partners before January 2022 and who are already on the Island while those who are married or civil partners after this date, or before but have moved to the Island since, will be financially worse off than their counterparts. Surely that is not fair. My amendment seeks to level that and apply that to all couples regardless and ensure a consistent and fair approach across the board. The comments go on and they state that: "Creating optionality over tax allowances would be technically complex to achieve in our revenue systems and complicated to administer and to explain to the public." Well, I would like to inform people that optionality already exists in our tax. For example, the child allowance thresholds are transferable between parents whether they are married or not.

[11:00]

I have dealt with a number of constituents who have children with a previous partner or partners where the main parent earns below the threshold and therefore transfers the child allowance to the other parent in order to allow them to have that extra allowance. So, for example, if somebody has 3 children with 2 different previous partners and neither of those previous partners earns above the threshold, those 2 previous partners can transfer that child allowance, so that is 2 children's allowance, to the other parent who legally then nobody is in a relationship with or could ever be said legally that they were in but those parents have taken that decision. If this is possible between 2 taxpayers who are not in a legally-binding relationship, why is it that what is being proposed here is so difficult? I would argue that it is not, maybe it is just inconvenient. I can assure Members that I do not wish to enable inequality based on marital status; however, the Government is doing this between couples by allowing some to benefit from a compensatory allowance and others not. Furthermore, they have stated that my amendment defies the long-held policy of keeping our tax system as simple and as fair as possible. How is our tax system simple and as fair as possible when we currently have 2 different systems that are called the "marginal rate" and the "standard rate"? That is completely contradictory. Again, like some other contributors to this debate have already said, why does the Government not apply the same simple and fair system across the board to all areas, including income support, where a household income regardless of marital status is taken into account and assumptions are automatically made that household members will contribute equally or wholly, as Deputy Tadier mentioned yesterday in his debate. Ultimately by not supporting this proposal it could be said that the Government's proposal is a way of raising revenue for those who can least afford it in our society by stealth. While the Government is happy to state, quite clearly on the gov.je website, that they are happy to lose £4 million from high-earning households by making this move, what about the revenue that is being raised by making this move from middle Jersey? I urge Members to look back again at my report and the example that I have shown in it. This

proposition will enable families not to lose out financially by giving them a choice to elect for the financial benefits of being in a marriage or a civil partnership that others are benefiting already. Had the Government allowed all thresholds to be transferable between households, I would have not needed to bring forward my amendment and I would have 100 per cent supported the Government's position. As such, independent taxation in the form that it is being proposed and brought forward will cause financial loss to some families compared to the system that was in place prior. Is that what we really want to do, to cause some families to be financially better off than others? If Members want to truly support families and give people the choice, I would urge them to vote in favour of all parts of this proposition.

1.1.12 Deputy J. Renouf of St. Brelade:

Members will be, I am sure, familiar with the works of Niccolò Machiavelli, some Members perhaps more so than others. Machiavelli's most famous work was *The Prince* and it was on the problems of political leadership, albeit from the perspective of the medieval era. Those days are long gone but the reason Machiavelli is still talked about today is that some of what he wrote is relevant through the ages. We usually think of Machiavelli as a proponent of devious and manipulative political workings, and therefore entirely alien to this Assembly, but his work also contains many insightful comments about the realities of politics which do remain relevant. One in particular came into my mind over the weekend as I thought about the correspondence which Members have received on this issue. Machiavelli said: "There is nothing more difficult to take in hand, more perilous to conduct or more uncertain in its success than to take the lead in the introduction of a new order of things because the innovator has for enemies all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new." Now Machiavelli was obviously talking about revolutionary change, a new order of things, but I think his argument applies more generally. Basically he was saying that whenever you introduce change you can expect a great deal of resistance from those who feel threatened by it but you get very little support from those who benefit because they do not necessarily see that they will benefit and may even not be paying attention. I think that is the case here. We have received many letters from those who do not like the change to independent taxation and would rather stick with married man's taxation, the current system. We have heard little from those who are comfortable with the change or who actively support it. I want to bring their voices back into this debate and I want to advance 2 arguments, one on principle, that I am against the proposition in principle, and second that I am against it on the grounds of practicalities. In both cases I have in mind the majority of people in this Island, including those individuals who have not written to us and whose points of view are not mentioned in the proposition. We need to think about all of the Island in this debate, not just respond to a minority of people who have reacted against the new system. First the principles involved. In 2021 the previous Assembly passed the principles with, I think, just 4 votes against. The reason for that was clear, married man's taxation is utterly archaic. The damage done by this kind of institutionalised belittling of women is serious. Married man's taxation is archaic because it dates from a time when women really were treated as inferior and it survives as a rather grim reminder of those times and a grimness that is reflected in the way that it gets reported outside this Island. Some Members have objected to the use of the term "married man's taxation" because it is not on the official forms. I think the reason it is described as married man's taxation is because we need to define what it really is: it is a description of what the system is, it is not joint taxation. Joint taxation implies equality. This is not equality, it is married man's taxation. That is the reason why we care about this description, this descriptive phrase. The survival of married man's taxation is also a reminder that the work of women's equality is not yet done. If we were to vote to maintain it as an option, as the proposition says in part (a) that we should until some other system comes into place, it says to society that we are comfortable with this situation continuing. We think that this kind of legal repression of women's rights is not that big a deal, it is just a matter of consumer choice but this is not a technicality. Laws such as this ripple and reverberate through society. We have heard from Deputy Miles and others about the ways in

which taxation laws can reinforce the repression of women at the hands of abusive husbands. It is no use putting your fingers in your ears, married man's taxation is a contributory factor in economic abuse. Deputy Bailhache argues that this is not the aims of those supporting the proposition. Of course it is not, he has entirely missed the point, it is an unintended consequence. His argument reveals a disturbing lack of understanding of how repression of women works. Under the new system both parties in a marriage will have to agree to file a joint return, that is the problem. In the real world abusive men will compel their wives to continue with the old system, that is how abuse works. These kind of messages matter. That is why for the overwhelming majority in society independent taxation is supported. They get it. We know this is the case because there was detailed consultation about the move to independent taxation. It is also why the overwhelming majority in this Assembly supported that move. Independent taxation treats everyone equally regardless of whether they are single or in any kind of relationship, whether that is living together, civil partnership or marriage. That is why I cannot support Deputy Farnham's proposition in principle. It perpetuates married man's taxation and therefore, in principle, I reject it. So to my second argument which is about practicalities and proportionality. We need to spend a little more time looking at the proposition we are voting on because it is a real dog's dinner, an unappetising mixture of expediency and ad hocery designed to cover as many bases as possible but without understanding the full implications which are considerable. Part (a) says that independent taxation should not be mandatory for anyone who has not already chosen to elect for it, keep the existing system, in other words, for anyone who wants it. Part (b) says that we must ensure that the present system remains available into the future, the existing system. Part (c) goes much further and calls for the present system to be modernised. Part (d) would extend allowances, transitional allowances, into the future for all married people. Part (c) seems to have been added because Deputy Farnham belatedly realised the damage that his proposition as it originally stood would have caused because it would have perpetuated the present system. Now he wants it to be modernised by creating a new system of joint taxation. Deputy Alves' amendment takes us still further away from independent taxation and into a world of mind-boggling complexity. It is based on the idea that people who have moved to the Island since 2021, or got married since, should also have available a compensatory allowance even though they have not ever had the married person's allowance. You cannot lose what you have not had. Compensatory allowance is to compensate for a loss as we move to a new system. People who have got married since 2021 will be part of the new independent taxation system. They will benefit in some circumstances, for example, if they are cohabitants compared to the existing system but they will not get compensatory allowance because that would remove the whole point of independent taxation. To call this a loss is to see the tax system as entirely static. The tax systems are dynamic. As independent taxation becomes the norm then tax allowances will no doubt move to favour this but they cannot move that way if you are preserving the old system because you had already chosen to favour marriage. It is one or the other. Either we have a tax system that is biased in favour of marriage or we treat people as individuals, so we need to be clear about what this means. The sum total of the changes in the proposition would be to effectively abandon independent taxation and replace it with some form of joint taxation that is yet to be determined. It is not independent taxation if the moment you get married you have available compensatory allowances equivalent to the old married couple's allowance and that this continues indefinitely into the future. That is joint taxation by way of compensatory allowance. You can, in name, have independent taxation but if you preserve marriage allowances then obviously people will choose that when they get married. It is a bogus choice. Deputy Farnham's amended proposition will take years to implement while the new system is prepared, consulted on, goes back and forth, and so on. You know what I am prepared to bet will happen at the end of that? At the end of all that, a proposition will be brought before this Assembly to bring in the new system, will it not, and someone will jump up and say: "Why are we disadvantaging so many people and cohabitants? Let us move to independent taxation" because it is the simple, obvious system to go with, because let us remember who the current system is biased against. It is biased against cohabitants. If we preserve the allowances then we preserve the bias towards marriage. Individual taxation removes that bias.

So what is the problem that Deputy Farnham is seeking to overcome? Like all of us he has received lots of emails and letters from mostly elderly residents saying that they would like to stick with the current tax system. It is portrayed as an issue of choice and who, after all, is against choice? Let me take on this argument about choice; not all choices are equal. I can choose what TV programme I am going to watch in the evening and have no impact on wider society, it is a matter for myself and my family. This is consumer choice but choosing to perpetuate the old tax system, or adapting it, is not just a matter of choice for the people concerned, it is a different type of choice because it makes demands on all of us.

[11:15]

It is a matter for all of us because it has consequences for all of us; partly that is because of the belittling of women that preserving the old system represents. We will still be seen in the eyes of the world to be that idiosyncratic or even backward place that still allows women to be chattels of their husbands but it also affects us more directly because we would all have to pay to create this choice. I will not go through all the reasons why but to maintain what is, in effect, multiple different taxation systems will cost money, millions of pounds to set up with a substantial ongoing cost in assessing tax returns submitted under multiple different methods or categories. Those costs are unavoidable and those of us who are Ministers who have sat in the Council of Ministers have heard the Comptroller make very, very clear what those costs will be. I say it is frankly bonkers for a small jurisdiction to try and run systems of this complexity together. So what exactly is the loss against which people wish to be protected? Why are we going to all this trouble? What the proposition seeks to protect people against is hassle, the undoubted upset and worry that comes with having to fill in a tax form. Now I do not minimise the fact that this will cause problems for some people, even with all the help that will be available to those who need it. But when it comes to weighing these things in the round I do not believe that the hassle factor weighs heavily enough in the balance to justify the extra organisational complexity, financial cost and reputational damage that this proposition involves. We need to move on. Our duty is to think about the Island as a whole, not just those who have contacted us. I hear what they have to say, I understand that it is something they would rather not have to do, and I understand that it is annoying but there are better ways to deal with the issues they raise than throwing out the move to independent taxation. The fact is that their choice is not a free choice, it imposes costs on the rest of us. It will cost us reputationally, it will cost taxpayers in administration and it has damaging consequences for vulnerable women in society, all to perpetuate a system that the Island has decisively rejected while we try and create a system of joint taxation. I disagree with that. Independent taxation is the way forward, simple and fair, with compensatory protections in place. I started with a quote and I will finish, if I may, with a misquote. It comes from Chesterton who was speaking about the ignored majority who do not speak up, the silent majority, if you like: "We are the people of Jersey, and we have not spoken yet." I think we should listen to those people who have not spoken and I urge Members to reject this proposition.

1.1.13 Deputy M.R. Le Hegarat of St. Helier North:

I have been financially independent since the age of 15, so therefore filled out my own tax return and moved along swimmingly in life. When I got married that all changed and, yes, I was still financially independent and, yes, I still carried on filling out a tax return, so that did not change. However, of course my status did and it meant that I became the responsibility of someone else. I do not particularly like the idea, and I never have, not because there is anything wrong with that status, but because it is a bit ridiculous. We are now in 2023 and I believe that we should all be treated independently as individuals and therefore I would not be in favour of supporting this proposition. But the more important thing is, is that we signed up as part of C.E.D.A.W. and, for me, that fundamentally, when Deputy Labey mentioned that yesterday, whatever thoughts I had previously ... because I had sort of thought about various different things but particularly because we have had a number of people come to us and raise concerns about having to fill out tax returns and of course

there is always that concern, but there will always be some time in somebody's life that they are going to probably end up in that position. We signed up for that and we signed up because we believe women have to be equal in every single place. People have talked about various things and somebody mentioned about choice but what exactly is choice and who is making that choice? Who is making that choice when the form comes in? Who is going to make the choice? Are we going to have a member of the Tax Department sitting against them to make sure that those people are making that choice? I have asked questions in this Assembly by way of written questions about coercive behaviour and what training people get in relation to that because, let us be fair, it is not something that is easy to identify from even those people who are trained to do that job, but going away from that as well is the fact that things have to be as simplistic as they possibly can. I have studied law, I have enforced it and I have taught it and there is nothing worse than having legislation that is complicated. So people have mentioned social security and, yes, it is complicated. It is certainly complicated when you go along and say: "I no longer have a job because I have been forced to retire because of my age" and they say: "Oh well, I am sorry, but you have still got to carry on paying social security" but maybe that is for another day. But the point is, is law has to be simple so that we can all understand it, not only the members of the public, but when I go into the Tax Department they have to understand that the legislation that they have got is relevant to all, not: "Well, if you are in this system, this applies to you. If you are in that system, that applies to you and if you are in the other one, that applies to you." It has to be simple. It has to be simple so that those people who are going to be potentially advising people and potentially enforcing that legislation as well, it has to be simple so that the people who are the residents understand it so that they do not break the rules and the tax people are able to advise people so that those people do not break the rules. So we cannot have 6 different systems and we have to have independent taxation. I have listened to, particularly what Deputy Doublet said, and it is a fact that we have to ensure that people have rights and their rights are independent to themselves, not to anybody else. So from my perspective (a) the fact that we have signed up for C.E.D.A.W., that to me is fundamental and we need to move forward and (b) as I said, everything has to be simple so that people understand it because if it is not nobody will.

1.1.14 Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter:

I am pleased to follow the last speaker around C.E.D.A.W. and simplicity. My fellow Deputy, as we all know, is charming and persuasive and he portrays his proposition in a simple way which is that there are a large number of Islanders who do not wish to move to independent taxation. Therefore, it is perfectly reasonable, and we heard Deputy Bailhache make exactly the same case, it is perfectly reasonable to give the choice. I find myself in rather a strange position this morning because I would normally be arguing around freedom of choice. I find myself also in a strange position because my parliamentary colleagues to my left, even though they are sitting on my right, are not supporting the move to independent taxation even though they did, as they have said, in principle. I am always one to look for the positives. The positive that I take from the debate this morning is that by broad brush, although there are exceptions, and I will come to that when we come to the wording of the proposition, by broad brush Members would like, let us say with a fair wind, would like to move to independent taxation. But we have heard many caveats about why now, with this model, might not quite be the right time and I pick up on what Deputy Le Hagarat said about C.E.D.A.W. We as a community took a long time to move to the point of signing up to C.E.D.A.W. or asking the U.K. to sign on our behalf, and even then we had to make reservations because we knew there were some substantial gaps in our legislative provision in order for us to say we were compliant with that international treaty. The reason that we took a long time to sign up, and Back-Benchers in this Assembly roundly chastised previous Governments for not signing up, was because of this particular difficulty. We have, whether we want to call it joint taxation or we want to call it married man's taxation, the legal substance - the legal substance whether over the years we have tried to use nice terminology more in keeping with our community, inclusiveness - the legal substance is that we currently in Jersey have a married man's tax allowance. You have to look through all of the detail

of the legislation to see where spouse A turns from sounding rather cuddly or spouse A, you have read through all of the small print to get to the point that as a matter of law a married man is the person that submits a tax return on behalf of his wife. That is what we have but we try to talk about it nicely, so let us just be clear about that, and that was our big stumbling block to signing up to C.E.D.A.W. As the Attorney General reminded us yesterday, we took a reservation and that was the right thing to do but that reservation made a commitment that we would move to independent taxation, not at that point that we would move to a joint taxation, but that we would move to an independent taxation. When I became the Minister for Treasury and Resources, it is quite well-known it is not a job that I greeted with open arms and abundant joy because of some of the difficulties that that department faced and some of those difficulties, let us be clear, are in Revenue Jersey. What I have found in Revenue Jersey is excellent people seeking to serve Islanders in the best way that they can, and I never really realised, perhaps because I am an accountant, just how complicated Islanders find our tax system. That has been brought home to me during the course of this debate because we have heard - I did not want to pop up every time a States Member was misrepresenting the tax system, you would have been very tired of me, Sir, doing that - but what it has shown is that even in this Assembly, the body responsible for maintaining the legislative base of our tax system, it is little understood. Because I find myself in the same position as Deputy Bailhache and the Constable of St. Saviour - the legal reality is I am not making a joint tax return - when his wife said to him, I am not sure how many years ago, I will not remind him, and when mine said to me 26 years ago: "Well, yes, of course you can do my tax return, darling" the legal reality is it would not have mattered whether she had said: "Oh, of course you can do my tax return, darling." I am responsible and I am the one on the hook for making that return and meeting that tax liability. Whether my wife likes it or not, the current legal situation is, is that she is subjugated in this regard to me. That is the inherent unfairness and that is the reason I think that previous Assemblies voted for independent taxation. I am reminded today back in 2014 when the then Minister for Treasury and Resources published a tome around modernisation of taxes and where we were and what we could do, independent taxation was mentioned even then and it has been a long road to get to where we are today.

[11:30]

My fear is that with all good intention we are about to depart from that road upon independent taxation and rather than supporting my officials - I come back to that point - the need to simplify the system so that officials can better communicate it so that Islanders can better understand it, what this proposal does is make it more complex and more difficult to understand. Lots of speakers today have said: "Well, the Government is making a big play about correcting an injustice and a discrimination in regard to the tax system." But look at 5 other injustices and discriminations we have got over here, why are we not addressing those this morning? Why are we only focusing on this one? So let us not change this one, let us not focus on this one, let us just say: "Oh, we have got a lot of terrible discrimination and issues that we need to address and we will keep them all together and we will address them on some future date." That is not how Government works, it is not how legislation works. We have the discrimination in front of us, we have the difficulty in front of us, and we must make the decisions in order to address it. I come to the wording of the proposition. Others have spoken, my colleagues have spoken eloquently about the compensatory allowances. Deputy Mézec said it was a "fudge". One of the renowned Jersey tax advisers - perhaps I should declare an interest that we use that individual as a family - said that: "This is just a fudge. This is not really independent taxation." Of course we know that every grandfathering regime that you have to put in place to some extent is not the end state that you are getting to. You are introducing the legislative state of independent taxation but to seek to ensure that lower income families are not disadvantaged by the move from the old system to the new one, you put in place a grandfathering system, which you can describe as a fudge, that is all grandfathering systems, but what it does is it seeks to protect lower income families. I would hope that my colleagues, as I say, to the right would have supported that

proposal. I am running out of time as I am not the main responder. The proposition as it stands, and I will read it out, so it says: “The independent taxation should not be mandatory for married couples and civil partners who currently complete a joint tax return ...”, well none of them currently complete a joint tax return because there is not such a thing but let us take it in the spirit in which it was meant that currently the man completes on behalf of the wife, and who choose not to elect for independent taxation prior to that to request me and the team to take the necessary steps to ensure that joint taxation remains available to any such married couples and civil partners. Well it does not currently exist so we would. The reason I say this, we would need to go away and think about a joint tax regime. Why do I say that is the case? Because we get to (c), to request me and the team to take the necessary steps to modernise joint taxation returns to ensure married couples and civil partners who choose to remain subject to joint taxation will have shared responsibility for that tax return and that both parties to the tax return will be required to sign. So what this proposal does is, on the one hand it says: “Well, yes, we will introduce independent taxation but people will have a choice” but on the other hand: “Minister, you have got to go away and introduce a new joint tax regime and modernise that.” That is quite important we understand that because if Members support this today we will not simply be able to, as Deputy Bailhache said, by the stroke of a pen, bring an amendment to P.41, I think it is, at the next States sitting. No, we will withdraw P.41 - I hear “hoorays” around the Chamber on behalf of some - but let us just be clear, we will have to withdraw P.41 to be able to go back and do the work. Now, the previous Government when it was doing its consultation and its focus groups, those people there said, no, they wanted independent taxation, they did not want a modernisation and the creation of the joint tax return. That is not quite what I am hearing from Members today. We will withdraw that, or my Assistant Minister will withdraw her proposal, and it will take us months, if not getting into years, to go away and bring forward a new joint tax regime. We will have to think about how that fits or if it is possible to have joint and independent regime at the same time. The reason I say that as well is because at (d) we have now got Deputy Alves’ amendment which says: “That for those who married or who entered into civil partnerships after 31st December 2021, and that those who married or entered into a civil partnership before 31st December 2021 and moved to the Island after this date, who are automatically assessed independently for tax, there should be the ability to opt for application to the current marriage and civil partnership exemption thresholds and allowances” which earlier in the proposition we are asked to modernise and create a new joint system, so we will be left in the situation where we have a new joint tax system. Now, the Ministerial team can go away and we can do that work because we are in the hands of the Assembly and the Assembly is supreme but I have to be clear with Members, that does not work with an independent tax regime. We are saying no to independent tax; we are saying yes to something else which is a joint tax regime and we can go away and do that. But what I want to say to Members is, and I have spoken to the Assistant Minister, we are in the Ministerial team and we do hear what Members are saying and some Members have said they would prefer to think about transferable allowances rather than compensatory allowances. It probably would be more complex but they could work instead of compensatory allowances or they could have a system that works alongside them. Deputy Alves, really, at the heart of what she is asking is that there is an advantage, a tax advantage, to married couples by having a different allowance for married couples rather than treating everybody as individuals. We in Treasury are absolutely prepared and committed to going away and working with any individual. Deputy Mézec said, well, he likes independent taxation, he does not like the nuts and bolts of it. Well, we will work with Members who have got concerns, who would like to see modifications to what was proposed at the next States sitting. In the spirit of that, the Assistant Minister has said, no, she will defer the proposal for the next States sitting till after the summer recess so that we can do that work and we can work with Members but, I must be clear, in 2 seconds, we cannot do that if Members vote for Deputy Farnham today, because what he is asking for is something totally different.

1.1.15 Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

I will keep it very short but having listened to the debate a few things have struck me. I could not help but think about perhaps Deputy Farnham's most recent proposition which he brought to the Assembly about whaling in the Faroe Islands. I remember then standing up to speak, be careful when you try to take the moral high ground because it does make others look more closely at yourselves and they will find within us moral ambiguities and places that they believe Jersey should not be. So it made me think, if I were sitting as a member of the Faroe Islands' Assembly knowing that my Chief Minister, or the equivalent of, had received a letter from Jersey talking about the barbaric practice that they undertake on the beaches of the Faroe Islands, if I were one of those members of their Assembly wondering who was this Island to come and tell us how to live our lives, I might look at that Island, Jersey, and think: "Well, if they were to support Deputy Farnham's next proposition", the one before us right now, "they are continuing to maintain a situation where women, over 50 per cent of the population, are condemned to be nothing more than the chattels of their husbands, where women are not protected from coercion within relationships or financial coercion." I can tell you, if I were a member of that Faroe Islands' Assembly, having received the letter from Jersey about their barbaric practice of slaughtering dolphins and whales, I would be highly motivated to write straight back to the Chief Minister of our Island pointing out the awful hypocrisy that we have when we talk about the slaughter of whales but we do not defend the rights of women. Why do we not defend the rights of women in our Island? Because we do not like form-filling. It appears to me that that is at the core of this argument. We do not like to fill in a form; therefore, we will condemn women to a secondary status in our Island. I just thought the Assembly should reflect on that, given that clearly the Assembly has very recently decided to adopt the moral high ground in respect of the Faroe Islands. I then just wanted to finish by saying for anyone who is doubting the reality of coercive control, because I heard the Constable of St. Saviour talking about his relationship with his wife, and I am delighted they have a wonderful and happy, loving relationship, it is fantastic, but that is not something that all of us in this Island are able to live in. Jersey's Women's Refuge has publicly said today that they wholeheartedly believe that Jersey should move to independent taxation for every individual. On a voluntary joint taxation basis, women are subjected to controlling and coercive behaviour and they stand little chance to obtain financial independence. The systems around women's rights need to be wholly fair and enable them to live freely. Independent taxation is crucial for safeguarding women's rights and protecting women from domestic abuse and financial coercion. The current system leaves women vulnerable to abusive situations. We see evidence from survivors of economic abuse that it causes immense devastation to their lives. It is a very real issue. Independent taxation is an essential tool in breaking free from abusive relationships and establishing a safer future. Independent taxation grants women the financial autonomy and control necessary for their well-being and safety and contributes to a more equal society. Jersey must be a place where women are empowered to thrive free from the risk of financial exploitation and abuse. I personally agree with every single word in there. I personally believe that our rights for every single human being in this Island, those fundamental human rights the parties in this Assembly claim to defend, must be defended by every single one of us and form-filling is not an excuse to deny those human rights.

1.1.16 Deputy K. Wilson of St. Clement:

I am pleased to follow Deputy Morel's position on the issue of rights. Listening to the debate, it is very clear to me that this is not about a process as to who completes a form or the choices to who completes a form but it is more fundamental than that. This is about establishing the basis in law to remove any discrimination around our taxation system, to remove the discrimination, and to make sure that we recognise the value and the contribution that women make in our economy and in our society. Studies of taxation have long taken gender discrimination and differences into account between married men and women. There is a strong evidence base that suggests married women experience adverse effects, as we have heard in terms of the testimonies that have been provided

throughout this debate. I would ask the question: imagine if the discrimination and the inability to control one's own affairs if those conditions were on the other foot. The proposals brought forward by the Minister for Treasury and Resources are an attempt to create the conditions to remove these inequalities and to recognise women in their own right, to be able to manage their own affairs without the need to rely on their husband. What women want is not particularly what men think women want.

[11:45]

Women are economists in their home, they are the main earners in their home, they are the key decision-makers in their home and the reality is that women earn in their own right. Therefore, we as an Assembly should support the right of women to declare their income and the sooner we move to this form of taxation, independent taxation, the better. These proposals are about modernising our tax system based on robust consultation, as Deputy Stephenson alluded to earlier on, a move towards a more equal society and to recognise the obligations we have in C.E.D.A.W. This is about establishing a right, not a choice, and it is on that basis that I cannot support Deputy Farnham's proposal.

The Deputy Bailiff:

Thank you, Deputy. Does any other Member wish to speak on this proposition? I call upon Deputy Farnham to reply.

1.1.17 Deputy L.J. Farnham:

Thank you to all who have spoken, another thought-provoking debate with some very good speeches and, I am sorry to say, some, in my opinion, not so very good speeches as well because, regrettably I think, a strategy deployed here to defeat the proposition, a proposition that was brought with the very best of intentions to make life easier for some of our Islanders who really feel strongly about the tax system. For the record, I, too, absolutely believe in completely fair and equitable taxation free of any discrimination for all people. I think that should be beyond doubt, as I believe every Member in this Assembly does. I regret that it has been turned into a major gender issue and I realise that some people feel passionately about this; I do too but it is not really what my proposition is about. I said at the beginning my proposition respects a previously-agreed position of independent taxation as the default position for all new taxpayers and married couples and civil partners, and this is to allow some further time for existing tax-paying married couples to adapt. That is what it is about. I did vote for P.78 in 2021 which was in relation to phase 1 because I supported the principle. As Deputy Mézec rightly said, this is not about principle, this is about the practicalities of representing or doing what we feel is in the best interests of some Islanders. But I did not vote for what is proposed to being put before us, which is, as I agree with Deputy Mézec, a good fudge, it is a good old Jersey fudge we have here. It is not a true independent system, it is a compensation scheme, I think, which is at the heart of the problem; I did not vote for that. Incidentally, having a look back at the vote, I noticed that the Chief Minister voted against P.78 in 2021, and no doubt she had her reasons at the time, but she is on the right side of the debate now. I would like to remind Members that my proposition seeks to achieve 2 key outcomes for Jersey taxpayers. I will start by talking about C.E.D.A.W., to further align ourselves with the international standards and recommendations set out in C.E.D.A.W. which is the Convention on the Elimination of All Forms of Discrimination Against Women which was extended to Jersey in February 2021, as we know, to eliminate any form of discrimination against women that remain in our tax system. This can be achieved. This can be achieved while retaining the ability for couples to file a joint return and I am going to stick with that terminology because I believe all Members understand it. I think that the chattels argument is beginning to wear a bit thin. Of course, we look back on history and we learn from history and we do not want to repeat it. Until recently a married woman's income was always treated as the husband's income. With hindsight that was wrong. The filing of the annual return was the husband's duty, the tax liability was in the husband's name only, and a married woman, when

trying to access tax information, would be denied that access unless her husband provided permission. These anachronisms have largely been confined to history. They should all be confined to history but we can do that while maintaining the choice for Islanders to elect to participate in a joint return or a joint assessment, like many other countries who are also signatories to the C.E.D.A.W. convention do. Married man's taxation, as with Deputy Alves, I have, having been born in Jersey in 1964 and lived here for most of my life, never heard that expression before, married man's taxation, used in this instance. I could not find it anywhere on the Government of Jersey's website and it is certainly not mentioned in the Income Tax (Jersey) Law 1961, having word-searched all 308 pages of that last night. It has been, I think, deployed in the reports and in the written speeches by officials for some Ministers today; it has been deployed, I believe, to evoke passion and strong feelings which it has succeeded in doing. Since the introduction of same-sex civil partnerships returns, this term, married man's taxation, that I have never come across because it does not exist in the law, cannot be used for obvious reasons because there may be no man on the return and no married couple. The terms "spouse A" and "spouse B" were introduced instead. In civil partnerships, spouse A is initially the older spouse but there is a 2-year window where the couple can elect to change this. This could also be applied to all joint returns. As of 2021, both spouse A and spouse B have full and free access to their tax information and may elect for the independent taxation without the other spouse's permission. Where spouse B receives employment income there is minimal room for coercion, as Revenue Jersey regularly check an individual's declared income against income declared through the combined employer return. Where there is non-earned income such as property or investment income under the current joint return arrangement, responsibility is shared. In the case of a coercive relationship there is no guarantee that the coercive spouse will not put undue pressure on what income the victim should declare on an independent return. For example, under independent taxation one spouse could be coerced into declaring property or investment income on their return, thereby reducing the tax liability of the perpetrator. I say this not lightly. I have been contacted by victims of coercion in marriages and it is clear that, while coercion can exist in very many forms, from the people I have spoken to, they did not think the tax return ranked very highly in their own experiences. Couples have the choice to open joint bank accounts, apply for joint mortgages, own property together, to name but a few examples. These surely provide far more opportunity for economic abuse. Should we be stopping these? I do not know, perhaps we should. Why should there not be a choice for those who wish to continue with joint returns, why should there not be a choice? That is a question that the Government have not answered. If some people feel outraged by the old-fashioned concept of a joint return, then they are quite free to choose independent assessments if they wish. Some key points and questions remain unanswered as we move to phase 2, which I think has provided quite significant flaws in what is coming towards us. Under the compensatory allowance system, an individual's tax affairs are still linked to the other spouse's. Spouse A must know spouse B's income in order to determine if the compensatory allowance is applicable and has been correctly applied. Who will take responsibility for reviewing spouse A and spouse B's tax returns? Will spouse A still have to record spouse B's income on their return or will Revenue Jersey assess the independent returns together? Either way, a joint return is necessary. How will errors in submissions impact the compensatory allowance? If spouse B files incorrectly, that could lead to a tax liability for spouse A. Could spouse A then be liable for a late payment surcharge? The draft law tabled for debate on 18th July does not provide clarity on the practical application of independent taxations for couples eligible for the compensatory allowance. It is completely appropriate, therefore, that couples in this position retain the right to remain jointly taxed or file a joint return, whatever wording we choose to give it. Whether joint tax returns are discriminatory or not is subjective and depends on the context of the perspective from which the issues are analysed. Joint tax returns allow couples to file their taxes together, combining their incomes, deductions and credits. This option is available now to both opposite sex and same-sex married couples here and in many other countries. As I mentioned in my opening speech, the primary purpose of joint tax returns is to simplify the tax-filing process for couples and provides certain tax benefits. They are also more cost-effective for the tax authorities to

process. Joint tax returns offer advantages such as lower taxes, increased deductions and eligibility of certain other benefits. These benefits are designed to reflect the economic reality of couples sharing financial responsibilities which, for the vast majority of couples, financial affairs are usually quite interlinked, married, pensions, joint savings, joint investments, joint property ownership, generating rental income, are just some examples. Having to fill in 2 forms and potentially a compensation claim is, I maintain, unproductive and unnecessary. Ultimately, whether joint tax returns are considered discriminatory depends on one's own perspective and the specific circumstances being evaluated. We have seen in this debate, different people have very differing opinions on the matter, which largely represent their own conscience, their own views and their own values, which is quite right. I want to refer briefly to the report tabled by the Minister to the proposition and highlight some points that I hope Members will find interesting. I am quoting: "Consequently Deputy Farnham's amendment to his proposition essentially asks the Minister for Treasury and Resources to introduce a modern form of joint taxation [so they accept that] for those married and resident before 2022, who choose not to move into independent taxation if the move is not mandatory." Despite claiming that the proposition tabled by myself with wording agreed with the Greffier and yourself, the Bailiff ... despite them trying to have that struck off earlier, they have addressed it in their report. They go on to say: "This would introduce further complexity and it is unlikely such modernisation could be achieved without significant overhaul of our revenue management system at considerable cost." This is a revenue management system that was bought from a New Zealand company.

[12:00]

We are one of the few people in the world who are using it: "It would be challenging to operate a system requiring joint signatures. In 2023 it is challenging to operate a system that requires joint signatures, particularly in an e-filing environment with digital I.D.s (identifications). The Deputy's amendment does not seem to call for joint and several liability for tax debts." This is a good point and this is something I have spoken to Deputy Scott about. I purposely did not call for the Treasury, in this proposition, to include whether liability should be joint and several, as some countries do on joint returns or a proportional liability, as some other countries do. I left that open, hoping that if this proposition was successful the Government would deliberate on that matter and come back to this Assembly with the right choice. I probably would favour proportional liability. Maybe it could be a choice. It should be noticed that the last Government did investigate the case for creating a modernised form of married couples taxation, but eventually ruled it out as impractical and unnecessary. I was a Member of the last Government and I do not remember this coming to the Council of Ministers or being discussed. I do not recall discussing the modernisation of married couples taxation. The Government refer to it here as married couples taxation, which they said it was not earlier, but they used that phrase in their report. I could be wrong, but I do not recall that. I do not recall anything coming to this Assembly asking whether we should modernise joint taxation. Instead it was decided to introduce independent taxation for all Islanders with compensatory measures, the position reflecting majority view in surveys and ultimately supported by this Assembly. I cannot accept that it is the majority view of taxpaying Islanders that mandatory independent taxation is right. "Deputy Farnham's proposal, of course, is superficially attractive", it goes on to say. Attractive, when faced with a choice between mandatory or optional approaches? That is a shame they said that, because while that is a good point to score, I do not believe it is superficially attractive for the thousands and thousands of Islanders who are going to be affected by this. They do not think it is superficially attractive. They are very concerned about it. Ultimately it would mean Jersey would be running 2 separate tax regimes, side by side, for possibly another 60 years. As we heard earlier from Deputy Bailhache and others, there is a simple solution to this, to provide more time, and that is a simple legislative amendment to schedule 7 of the law which would remove the date, providing flexibility. I am looking at Deputy Bailhache now and hopefully he is going to be nodding in agreement, if he can hear me. I take that as a yes. The youngest married couple who would be

able to apply to stay on this are in their 20s. We have been running side-by-side taxation since 1928. I am not saying it is what we did in 1928, of course; it is not. However, it cannot be difficult to continue to do what we have been doing. This is not about the principle of independent taxation. It is about the practicalities of doing what is right for our Islanders. It goes on to say: "This would add complexity both to Islanders and, importantly, complexity for Islanders and for our software providers and our revenue officers, rather than move closer towards simplicity." I will read that again: "This would add complexity for our software advisers and our revenue officers, rather than move towards simplicity." On this Island, are we running our tax regime in the interest of the taxpayer or in the interest of our software provider? While we quite rightly have adopted the C.E.D.A.W., we have quite rightly adopted that and must continue to fulfil our responsibilities and obligations to that convention, we are also, by the fact that we are here and alive, fully subscribed to the fundamental values of the Universal Declaration of Human Rights. This is a comprehensive statement of the rights and freedoms to which all individuals are entitled regardless of their nationality, race, religion, gender or any other status. The freedom of choice is an important aspect of that. It is important because it is a fundamental aspect of the individual autonomy and human rights. It allows individual to define their own paths in life, pursue their goals and express their individuality. It refers to the ability of individuals to make decisions and act according to their own values, not be coerced by others to follow their values, but to act in accordance with their own values, their own preferences and beliefs without undue interference or coercion from others. If approved by the Assembly, mandatory independent taxation will be imposed upon all Islanders from the year of assessment 2025. While there is no financial impact for some, approximately 7,000 couples will see their tax liabilities increase. This impacts mainly upon the lower income families and pensioners, with some higher income families seeing a reduced tax liability. There is a valid issue about the unsettling effect these changes will have on many couples, especially for the older generation. Similar concerns have been raised by Citizens Advice Bureau and the personal tax community helpdesk at events, which have taken place in Parish Halls and other locations across the Island. They are aware of it. I am going to finish up with a few comments from Islanders. We have all received many comments from Islanders. I quote: "I feel very anxious that after 47 years of marriage I may have to complete my own tax return. I cannot understand how this action would benefit anyone, so I would be interested to see if anyone could answer me in a language I can understand. I would certainly struggle with this if it was made law." "As a married couple, we would very much prefer to keep a joint tax return, as we have done for our whole married life. We feel that the proposed changes would be an unnecessary burden, could lead to errors and certainly increase stress. It should be a choice." "I strongly oppose joint taxation. We as a couple earn different wages. I am a professional, husband is not, so my tax would go up and his would not change. I am Jersey, as is my husband, and even for us leaving the Island is getting more attractive. Please fight to object to this latest nonsense and keep our right to make a choice." Deputy Howell, in her very good speech, quoted from another point. I am going to finish on the last paragraph: "When this debate comes up in the States this week, you need for once to listen to the people of Jersey and understand their needs not what you think is beneficial to your own beliefs." With that in mind, let us listen to Islanders on this one. Let us vote today, not to compel but to retain the freedom of choice to allow existing taxpaying married couples and civil partners to retain the right to choose and let us give the Government more time to take this away and come back with something that is right and does present us with true individual taxation, with no fudges. In the meantime, all I ask is that we allow existing married taxpaying couples to continue to submit and file the joint return.

The Deputy Bailiff:

Do you call for the appel?

Deputy L.J. Farnham:

I do, Sir.

The Deputy Bailiff:

You asked for a vote on each paragraph separately (a), (b), (c) and (d)?

Deputy L.J. Farnham:

I do, Sir, thank you.

Deputy R. Binet of Grouville and St. Martin:

Deputy Labey has asked if it could be recorded that she is unable to be here for the vote because she is at a funeral.

The Deputy Bailiff:

Thank you very much. I ask Members to return to their seats. We will be voting first on subparagraph (a) of the proposition. I ask the Greffier to open the voting. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. I can announce that part (a) has been narrowly defeated: 20 votes pour and 21 votes contre.

POUR: 20		CONTRE: 21		ABSTAIN: 0
Connétable of St. Helier		Connétable of St. Peter		
Connétable of St. Lawrence		Connétable of St. Martin		
Connétable of Trinity		Connétable of St. John		
Connétable of St. Clement		Connétable of St. Mary		
Connétable of Grouville		Deputy L.M.C. Doublet		
Connétable of St. Saviour		Deputy K.F. Morel		
Deputy G.P. Southern		Deputy M.R. Le Hegarat		
Deputy S.G. Luce		Deputy S.M. Ahier		
Deputy R.J. Ward		Deputy I.J. Gorst		
Deputy C.S. Alves		Deputy K.L. Moore		
Deputy L.J. Farnham		Deputy D.J. Warr		
Deputy S.Y. Mézec		Deputy H.M. Miles		
Deputy Sir P.M. Bailhache		Deputy M.R. Scott		
Deputy T.A. Coles		Deputy J. Renouf		
Deputy B.B.de S.V.M. Porée		Deputy H.L. Jeune		
Deputy C.D. Curtis		Deputy M.E. Millar		
Deputy L.V. Feltham		Deputy M.R. Ferey		
Deputy R.E. Binet		Deputy A.F. Curtis		
Deputy A. Howell		Deputy K.M. Wilson		
Deputy B. Ward		Deputy L.K.F. Stephenson		
		Deputy M.B. Andrews		

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Helier, St. Lawrence, Trinity, St. Clement, Grouville and St. Saviour and Deputies Southern, Luce, Rob Ward, Alves, Farnham, Mézec,

Bailhache, Coles, Porée, Catherine Curtis, Feltham, Rose Binet, Howell, and Barbara Ward. Those Members voting contre: the Connétables of St. Peter, St. Martin, St. John and St. Mary and Deputies Doublet, Morel, Le Hegarat, Ahier, Gorst, Moore, Warr, Miles, Scott, Renouf, Jeune, Millar, Ferey, Alex Curtis, Wilson, Stephenson and Andrews.

The Deputy Bailiff:

We now move on to part (b). When the Greffier indicates he is ready for me to do so, I will ask him to open the voting, voting on part (b) of the proposition. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. Part (b) has been adopted: 21 pour, 20 contre.

POUR: 21		CONTRE: 20		ABSTAIN: 0
Connétable of St. Helier		Connétable of St. Peter		
Connétable of St. Lawrence		Connétable of St. Martin		
Connétable of Trinity		Connétable of St. John		
Connétable of St. Clement		Connétable of St. Mary		
Connétable of Grouville		Deputy L.M.C. Doublet		
Connétable of St. Saviour		Deputy K.F. Morel		
Deputy G.P. Southern		Deputy M.R. Le Hegarat		
Deputy S.G. Luce		Deputy S.M. Ahier		
Deputy R.J. Ward		Deputy I.J. Gorst		
Deputy C.S. Alves		Deputy K.L. Moore		
Deputy L.J. Farnham		Deputy D.J. Warr		
Deputy S.Y. Mézec		Deputy H.M. Miles		
Deputy Sir P.M. Bailhache		Deputy J. Renouf		
Deputy T.A. Coles		Deputy H.L. Jeune		
Deputy B.B.de S.V.M. Porée		Deputy M.E. Millar		
Deputy M.R. Scott		Deputy M.R. Ferey		
Deputy C.D. Curtis		Deputy A.F. Curtis		
Deputy L.V. Feltham		Deputy K.M. Wilson		
Deputy R.E. Binet		Deputy L.K.F. Stephenson		
Deputy A. Howell		Deputy M.B. Andrews		
Deputy B. Ward				

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Helier, St. Lawrence, Trinity, St. Clement, Grouville and St. Saviour and Deputies Southern, Luce, Rob Ward, Alves, Farnham, Mézec, Bailhache, Coles, Porée, Scott, Catherine Curtis, Feltham, Rose Binet, Howell, and Barbara Ward. Those Members voting contre: the Connétables of St. Peter, St. Martin, St. John and St. Mary and Deputies Doublet, Morel, Le Hegarat, Ahier, Gorst, Moore, Warr, Miles, Renouf, Jeune, Millar, Ferey, Alex Curtis, Wilson, Stephenson and Andrews.

The Deputy Bailiff:

We now move to part (c) of the proposition. When the Greffier indicates he is ready, which he is, I open the voting and invite Members to cast their votes on part (c) of the proposition. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. I can announce that part (c) has been rejected: 20 votes pour, 21 votes contre.

POUR: 20		CONTRE: 21		ABSTAIN: 0
Connétable of St. Helier		Connétable of St. Peter		
Connétable of St. Lawrence		Connétable of St. Martin		
Connétable of Trinity		Connétable of St. John		
Connétable of St. Clement		Connétable of St. Mary		
Connétable of Grouville		Deputy L.M.C. Doublet		
Connétable of St. Saviour		Deputy K.F. Morel		
Deputy G.P. Southern		Deputy M.R. Le Hegarat		
Deputy S.G. Luce		Deputy S.M. Ahier		
Deputy R.J. Ward		Deputy I.J. Gorst		
Deputy C.S. Alves		Deputy K.L. Moore		
Deputy L.J. Farnham		Deputy Sir P.M. Bailhache		
Deputy S.Y. Mézec		Deputy D.J. Warr		
Deputy T.A. Coles		Deputy H.M. Miles		
Deputy B.B.de S.V.M. Porée		Deputy J. Renouf		
Deputy M.R. Scott		Deputy H.L. Jeune		
Deputy C.D. Curtis		Deputy M.E. Millar		
Deputy L.V. Feltham		Deputy M.R. Ferey		
Deputy R.E. Binet		Deputy A.F. Curtis		
Deputy A. Howell		Deputy K.M. Wilson		
Deputy B. Ward		Deputy L.K.F. Stephenson		
		Deputy M.B. Andrews		

[12:15]

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Helier, St. Lawrence, Trinity, St. Clement, Grouville and St. Saviour and Deputies Southern, Luce, Rob Ward, Alves, Farnham, Mézec, Coles, Scott, Porée, Catherine Curtis, Feltham, Rose Binet, Howell, and Barbara Ward. Those Members voting contre: the Connétables of St. Peter, St. Martin, St. John and St. Mary and Deputies Doublet, Morel, Le Hegarat, Ahier, Gorst, Moore, Bailhache, Warr, Miles, Renouf, Jeune, Millar, Ferey, Alex Curtis, Wilson, Stephenson and Andrews.

The Deputy Bailiff:

We now move to part (d) of the proposition. Once the Greffier is ready, which he is ...

Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

I would be grateful if you would consider the impact of paragraph (b) being adopted and paragraph (a) not, as they do slightly conflict, when paragraph (b) refers to any such married ...

The Deputy Bailiff:

I do not think that during the vote is a time to make any observations, with respect. If the Greffier is ready, we open the voting on part (d), the last paragraph of the proposition. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. Paragraph (d) has been rejected: 18 votes pour, 23 votes contre.

POUR: 18	CONTRE: 23	ABSTAIN: 0
Connétable of St. Helier	Connétable of St. Lawrence	
Connétable of Trinity	Connétable of St. Peter	
Connétable of St. Clement	Connétable of St. Martin	
Connétable of Grouville	Connétable of St. John	
Connétable of St. Saviour	Connétable of St. Mary	
Deputy G.P. Southern	Deputy L.M.C. Doublet	
Deputy S.G. Luce	Deputy K.F. Morel	
Deputy R.J. Ward	Deputy M.R. Le Hegarat	
Deputy C.S. Alves	Deputy S.M. Ahier	
Deputy L.J. Farnham	Deputy I.J. Gorst	
Deputy S.Y. Mézec	Deputy K.L. Moore	
Deputy T.A. Coles	Deputy Sir P.M. Bailhache	
Deputy B.B.de S.V.M. Porée	Deputy D.J. Warr	
Deputy M.R. Scott	Deputy H.M. Miles	
Deputy C.D. Curtis	Deputy J. Renouf	
Deputy L.V. Feltham	Deputy R.E. Binet	
Deputy A. Howell	Deputy H.L. Jeune	
Deputy B. Ward	Deputy M.E. Millar	
	Deputy M.R. Ferey	
	Deputy A.F. Curtis	
	Deputy K.M. Wilson	
	Deputy L.K.F. Stephenson	
	Deputy M.B. Andrews	

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Helier, Trinity, St. Clement, Grouville and St. Saviour and Deputies Southern, Luce, Rob Ward, Alves, Farnham, Mézec, Coles, Porée, Scott, Catherine Curtis, Feltham, Howell, and Barbara Ward. Those Members voting contre: the Connétables of St. Lawrence, St. Peter, St. Martin, St. John and St. Mary and Deputies Doublet,

Morel, Le Hegarat, Ahier, Gorst, Moore, Bailhache, Warr, Miles, Renouf, Rose Binet, Jeune, Millar, Ferey, Alex Curtis, Wilson, Stephenson and Andrews.

Deputy I.J. Gorst:

Two things, one relating to that vote; democracy is an amazing thing in action. It is fair to say that if part (b) is the one that is being accepted, we will need to consult with your Chambers and the Greffier. We have already undertaken to consult with Members to understand fully how that vote interacts with the other paragraphs, which have been rejected. It seems to me that it cannot properly interact with them. Rather than us trying to deal with that now on the floor of the Assembly, we should liaise with your office.

The Deputy Bailiff:

Yes. It is not for me to comment on the outcome of any decision made by the Assembly, although you will remember that at the outset Deputy Bailhache asked for a separate vote, because he indicated he was opposed to part (c). Members have cast their votes in accordance with their wishes.

Deputy K.L. Moore:

Sir, the consideration was quite clear to most Members of the Assembly that part (b) should have fallen away following the vote on Part A.

The Deputy Bailiff:

There were 4 separate votes asked for and that was what was promised at the outset and that is what occurred; (b) was adopted.

Deputy M.R. Scott:

I want to say, as somebody who did vote against (a) and voted in favour of (b). I am very happy to offer my interpretation any time anybody wants it.

The Deputy Bailiff:

You may find lots of people beating to your door.

Deputy R.J. Ward:

Sir, this is a slightly different issue, I would like to raise that I believe that yesterday during oral questions the Assistant Minister may have accidentally, and I am sure it is accidentally, misled the Assembly with a figure that was given, given an email we have all received about the attrition rate among teaching staff. The reason I raise this is that yesterday that was in the public domain and publicly stated. The email has only gone to States Members. I would not expect the Minister to answer now, because it is not fair on the hoof, but I wonder if after lunch we could get a short answer that corrects that publicly and puts that into the public domain, given the importance of democracy, as we have spoken about before, and transparency, as this Government portrays and we all agree with.

The Deputy Bailiff:

Thank you. I am sure that has been heard by the Assistant Minister.

Connétable R.P. Vibert of St. Peter:

I probably can answer.

The Deputy Bailiff:

If you wish to.

The Connétable of St. Peter:

Yes, if I could know what the figure is that was incorrectly stated.

Deputy R.J. Ward:

It was the figure the Minister stated himself. If he looks back through his speech ...

The Connétable of St. Peter:

I assume it must be the attrition rate. There were a number of figures stated, but it must be the attrition rate. The attrition rate given yesterday was for the 12 months to date. The figures in the letter that has been sent out is the attrition rate for the year 2022. Therefore, I stand by what I said in the Assembly yesterday.

The Deputy Bailiff:

Thank you very much.

Deputy R.J. Ward:

If I may, and I do not want to labour the point here, but that figure that was given yesterday does not reflect the true attrition rate. There does need to be a qualification of the answer. It is misleading for the Assembly and the public to have one figure and then be sent completely different figures over the last 5 years, some of which are more than double the figure given, if we are going to have a genuine set of answers from oral questions in this Assembly.

The Connétable of St. Peter:

Sir, could I respond? I did make it quite clear yesterday --

The Deputy Bailiff:

I do not think this is the appropriate way of proceeding. You stand by what you said yesterday and that is the end of it.

Deputy I.J. Gorst:

Yesterday, entirely my error, Sir, you were trying to correct me, we should have taken P.29 addendum, the Acte Opérateur, to give effect to the changes to the 2(1)(e) regime. I wonder if we could take it now as the next item? I offer my apologies to you and the Assembly.

2. Draft Act declaring that the Income Tax (High Value Residents – Amendment) (Jersey) Law 202- (P.29/2023) - Acte Opérateur

The Deputy Bailiff:

Yes. I invite the Greffier to read the citation.

The Deputy Greffier of the States:

Draft Act declaring that the Income Tax (High Value Residents - Amendment) (Jersey) Law 202- has immediate effect. The States make this Act under Article 12 of the Public Finances (Jersey) Law 2019.

2.1 Deputy I.J. Gorst (The Minister for Treasury and Resources):

It is, as I have just described, and I propose the Act. Thank you.

The Deputy Bailiff:

Perhaps you want to explain to Members why it was what you said yesterday about Article 3 of the law having the effect that you contended incorrect that may assist Members to understand that.

Deputy I.J. Gorst:

I am more than happy to flagellate myself further. The law, as approved yesterday, by Members, rather than being regulation is an amendment to primary law. Members will be aware in the normal course of affairs primary law must go to His Majesty in Council for sanction. What the Acte Opératoire does is allow for this Assembly on matters of taxation to bring them into immediate effect. In this instance we voted yesterday for immediate effect to be 14th July, but it still requires the Acte Opératoire rather than that primary law amendment needed to go to His Majesty.

The Deputy Bailiff:

Thank you, Minister. Does any Member wish to speak on this proposition? Thank you very much. Are Members content to adopt this on a standing vote? If so, please kindly show. Thank you very much. The Act has been adopted.

3. Jersey Police Complaints Authority - Appointment of Member (P.37/2023)

The Deputy Bailiff:

The next item is the Jersey Police Complaints Authority - Appointment of Member, lodged by the Minister for Home Affairs. The main respondent is the chair of the Children, Education and Home Affairs Scrutiny Panel. I ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion - in accordance with Article 2 of, and the Schedule to, the Police (Complaints and Discipline) (Jersey) Law 1999, to appoint the following person as a member of the Jersey Police Complaints Authority for a period of 3 years, commencing immediately: Mrs. Rachel Catchpole.

3.1 Deputy H. Miles of St. Brelade (The Minister for Home Affairs):

I am very pleased to recommend that the Assembly reappoints Mrs. Rachel Catchpole as a member of the Jersey Police Complaints Authority for a third and final 3-year term. Mrs. Catchpole has been a valued member of the Authority since 2017 and was reappointed in 2019 for her second term. She has served as the deputy chair for some time and I am delighted that she has indicated a wish to continue to serve in that important role. As Members will be aware, the Jersey Police Complaints Authority supervises the investigation of complaints against the States of Jersey Police. This independent oversight is crucial to maintaining and building trust and confidence in our police force. The Authority is constituted under the Police (Complaints and Discipline) (Jersey) Law 1999 and in accordance with that law, must consist of a chair as well as not less than 6 and no greater than 8 members. I am sure that the Assembly will join me in paying tribute to all members of the Authority, who all serve on a voluntary basis, and give up their time to serve on the Authority for no remuneration. I am pleased to recommend the appointment to the Assembly and I make the proposition.

The Deputy Bailiff:

Thank you. Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the proposition?

3.1.1 Deputy C.D. Curtis of St. Helier Central:

I want to say that the Scrutiny Panel supports this appointment. I recommend to States Members that they read the Jersey Police Complaints Authority Report.

Deputy R.J. Ward:

Just to check that as member of the Jersey Police Authority, there is no conflict of me voting on this, the same with Deputy Farnham? I am unsure.

The Deputy Bailiff:

I do not believe so, no. Does any other Member wish to speak on this proposition? No. I call upon the Minister to reply.

3.1.2 Deputy H. Miles:

I thank the chair of the Home Affairs Scrutiny Panel for her comments and I maintain the proposition and call for the appel.

The Deputy Bailiff:

The appel has been called for. I invite Members to return to their seats and I invite the Greffier to open the voting. If all Members have had a chance to cast their votes, I ask the Greffier to close the voting. I can announce the proposition has been adopted unanimously at 38 votes pour.

POUR: 38	CONTRE: 0	ABSTAIN: 0
Connétable of St. Helier		
Connétable of St. Lawrence		
Connétable of Trinity		
Connétable of St. Martin		
Connétable of St. John		
Connétable of St. Clement		
Connétable of Grouville		
Connétable of St. Ouen		
Connétable of St. Mary		
Connétable of St. Saviour		
Deputy G.P. Southern		
Deputy K.F. Morel		
Deputy M.R. Le Hegarat		
Deputy S.M. Ahier		
Deputy R.J. Ward		
Deputy C.S. Alves		
Deputy L.J. Farnham		
Deputy K.L. Moore		
Deputy S.Y. Mézec		
Deputy Sir P.M. Bailhache		
Deputy T.A. Coles		
Deputy B.B.de S.V.M. Porée		
Deputy D.J. Warr		
Deputy H.M. Miles		
Deputy M.R. Scott		
Deputy J. Renouf		

Deputy C.D. Curtis			
Deputy L.V. Feltham			
Deputy R.E. Binet			
Deputy H.L. Jeune			
Deputy M.E. Millar			
Deputy A. Howell			
Deputy M.R. Ferey			
Deputy A.F. Curtis			
Deputy B. Ward			
Deputy K.M. Wilson			
Deputy L.K.F. Stephenson			
Deputy M.B. Andrews			

4. Taxation of High Value Residents (P.44/2023)

The Deputy Bailiff:

The next item is Taxation of High Value Residents lodged by Deputy Feltham, and the main respondent is the Minister for Treasury and Resources. I ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion (a) to request the Minister for Treasury and Resources to bring forward the necessary legislative changes to the Income Tax (Jersey) Law 1961 to remove the prescribed limit relating to High Value Residents' income tax contribution; (b) to request the Chief Minister to suspend the High Value Residents' scheme in 2023 until the legislative changes detailed in (a) are implemented; and (c) to request the Council of Ministers to undertake a full and comprehensive cost benefit review of the High Value Residents' scheme to be presented as a report to the Assembly by 1st November 2023.

4.1 Deputy L.V. Feltham:

Before I begin I would like to express my solidarity with the teachers that are out in the Royal Square today. I think it is an interesting juxtaposition talking now about high value residents. I brought this proposition forward having read the report that accompanied P.29, and having felt the frustration that I think I sensed many other Members may have felt during the debate on that proposition yesterday. P.29 appeared to me to make a flawed position better than it currently is but certainly fell far short of where I feel the policy needs to be. Further, the review of the 2(1)(e) regime that was promised by the Government last year does not appear to have been completed comprehensively or to the quality that many of us may have been expecting and to which would have given us comfort that the regime is meeting the broader needs of the community. Part (a) of this proposition is asking the Assembly to sign up to the principle of fairness and equity and to give a clear direction that individuals gaining residence under the 2(1)(e) scheme should be treated in the same way as all other taxpayers. Approval of this part would see the removal of the current policy of giving a preferential rate of 1 per cent - yes that is 1 per cent - on income of over £1.25 million to these people. I will repeat that again. A preferential tax rate of just 1 per cent on income over £1.25 million. If that is not a regressive tax I do not know what is. It is important also to note that this rate is not available to any other taxpayer.

[12:30]

Should part (a) be approved then part (b) asks for the scheme to be halted until the requested changes have been made. This will ensure that the principle of fairness would apply to any new people acquiring 2(1)(e) status. Part (c) asks Ministers to assess the benefits and costs of the scheme to the Island, which will provide assurance that it continues to operate in the best interests of our community and to present this review as a report to the Assembly by 1st November this year. In short, the key issues that this proposition seeks to resolve are that the current policy supports an unfair tax system, which treats those with 2(1)(e) status more favourably than all other residents, and that the Government has not issued any report or recommendations which consider the 2(1)(e) regime in light of current high employment and a workforce shortage, the housing crisis and the rising cost of living. Having read the Chief Minister's comments paper, I find it very disappointing that the comments have completely neglected to address these issues and explain the Government's position in relation to them. It fails to explain how the scheme meets the challenges around inflation, social inclusion and our ageing demographic and also fails to supply any evidence to support the Government's claim that its proposals were carefully developed or well thought through. Instead of providing a well-considered response to my proposition it appears that the Chief Minister has instead doubled down on the rhetoric and failed to provide any evidence to support her position. Indeed, the statistical information provided is light and there has been no analysis undertaken on the impacts of this scheme on housing, the labour market, social inequality or the broader economy. In fact, the comments contain no analysis at all or any evidence that Ministers gave these issues thought when agreeing their policy. I do hope that Ministers heard some of the concerns voiced by Members yesterday during the debate on P.29, and I hope that they understand that during this debate just repeating rhetoric will not wash. As was mentioned yesterday by some Members, the public do regularly question the value of this scheme and also the inequity of it. So I have a request of Ministers and I would like them to address these concerns directly during this debate. Firstly, housing. I would like to hear from the Minister for Housing and Communities about what evidence he has about whether or not the current scheme has an effect on housing affordability and availability. Given the answer to Written Question 302/2023, which confirms that 2(1)(e)s do not need to spend any time in residence on-Island, I would like to know how this policy sits in relation to his empty homes plan. Secondly, planning and environment. Given the Chief Minister's report states that people with 2(1)(e) status have purchased a total of 264 properties with a total value of over £1 billion, and in consideration that these properties are likely to be much larger than your average family home and comprising of surrounding land, could the Minister for the Environment address whether there has been any assessment undertaken on the effect of the scheme, on the potential availability of land that could be used for affordable housing, public open space or even the provision of active travel corridors. Then we have the inequality when it comes to applying the Control of Housing and Work Law for 2(1)(e)s compared to all other categories of residential qualification, including those that apply to Jersey-born people. Could the Assistant Chief Minister with responsibility for population policy please explain whether she thinks it is right that these people with 2(1)(e) status seemingly have an irrevocable entitled status from day one of taking up residence. I think, as we have heard, in this case the term "residence" is very loose. When all the rest of us have to live here for 10 years before achieving entitlement and also have restrictions imposed on absences from the Island. The Chief Minister's comments also make much of maintaining and protecting the Island's reputation. It is a shame the Minister for External Relations is not here, perhaps his Assistant Minister could explain how approving a tax efficient residential status to a Russian oligarch goes down on the world stage, and what his international counterparts think of us giving tax preferential residential status to people who do not have to live here and seemingly never have to set foot on the Island. Given the Government's continued assertion about the positive economic impact to the Island, I was surprised that the comments paper did not contain any data to support this. I think the burden of proof here falls to the Minister for Economic Development, Tourism, Sport and Culture and perhaps he could inform the Assembly during this debate what economic impact assessments have been undertaken on the scheme and the results of those. The comments paper also makes claim that I am calling for

a significant change to the tax system. I would like to ask the Minister for Treasury and Resources to explain why this is considered to be such a significant change when it will affect such a small group of people. I would also like him to confirm that it will not impact on the tax take from people who already hold 2(1)(e) status and therefore does not put at risk the level of income being achieved currently through individuals that already have this status. Further, we know that the Minister stands by his principles that taxes should be low, broad, simple and fair. So perhaps he could explain why he wishes to maintain the prescribed limits relating to 2(1)(e)s and how he considers it to be fair. The Chief Minister's comments conclude: "We should be positively welcoming and supportive of new migrants who move to Jersey wishing to become part of our community, including those who are wealthy." I ask the Assembly, should we not be equally welcoming of all new migrants who are part of our community and treat everyone equitably regardless of wealth. I make this proposition.

The Deputy Bailiff:

Is the proposition seconded? [**Seconded**] Does any Member wish to speak on the proposition?

Deputy R.J. Ward of St. Helier Central:

I was going to - just seeing that Ministers are arriving back and there are a few minutes - propose that we have the adjournment and carry on this debate after lunch because I am pretty sure a number of the Members would want to speak. Seeing as we have got about 5 or 6 minutes I would not want to speak and then we end it and come back because I have learnt before that breaking your speech in the middle is not a good thing to do. I wonder if I could propose the adjournment.

LUNCHEON ADJOURNMENT PROPOSED

The Deputy Bailiff:

Is that seconded? [**Seconded**] Are Members content to adjourn now? The States stands adjourned until 2.15 p.m.

[12:38]

LUNCHEON ADJOURNMENT

[14:16]

The Deputy Bailiff:

Deputy Rob Ward.

Deputy R.J. Ward:

I was just proposing the adjournment before.

The Deputy Bailiff:

I thought you were keen to speak. Deputy Morel, do you want to speak, your light went on briefly? Does anyone want to speak or shall I close the debate?

4.1.1 Deputy R.J. Ward:

I will speak. What I would like to do, the speech I would like to make was ... I would like to repeat a lot of the speech delivered by Deputy Feltham because there were a number of Members who were not in the Chamber and I think if we are going to have meaningful debates in this Assembly you need to listen to those arguments because they were very, very pertinent arguments. What we will get again, I think, is the same old reply as to why we cannot do this with the 2(1)(e) system. Ironically, at the same time where we can say: "Actually we can give a tax break of 1 per cent to the wealthiest on the Island" and we are saying do not do that. Let us review it and let us see the actual value, let us have the data of the value of that to the Island. Let us have genuine data. At the same time, we have teaching professionals stood outside because they are unhappy with pay, workload and

conditions. That has not passed me by this lunchtime. I have to go and speak to people out there, and we spoke to many of the very unhappy staff that were out there, and come back and then debate whether or not we give a tax break to those who are way wealthier than the people who are out there. That to me is an issue. In terms of what was said in Deputy Feltham's speech, I would like the Ministers who were asked to answer those questions to answer those particular issues. I am sure Deputy Feltham will repeat them, or I hope Ministers know what they were, because they are the key issues around this. The proposition itself, just let me get it up on screen. That is the only problem with I.T. (information technology) here, it is quite slow today. First of all, it is to suspend the 2(1)(e) system now until we find out the effects on our society because we cannot have anecdotal evidence that says they bring money into the Island, they bring business into the Island and they do not have any effect on property prices. Wealthy people coming into the Island, okay, that is fine. We need all sorts of people to come to the Island in order to sustain our economy. We need to train our own. We need to make sure that people who are here have a pathway of staying, and many of our young people have not. But they are not getting tax breaks to stay. They are getting the opposite. In fact some of the suggestions being made are that they may even be asked to pay back their students grants. That is not going to encourage young people to stay here. It compounds unfairness. That is what I am not happy to do and I am not happy to see it happen. Then the second one is, the last part, this is the really important part of this proposition as well: "To request the Council of Ministers to undertake a full and comprehensive cost benefit review of the High Value Residents' scheme to be presented as a report to the Assembly by 1st November 2023." Cost analysis scheme; that should be happening anyway with any system that we have that we claim adds value to this Island. Because if it does not then we need to rethink it. From a purely neutral point of view, why would you carry on with a scheme that does not add value to our society? It does not make sense. It is not constructive, it is not useful, and if we find it could be having a negative effect on house prices. I think the point for the Minister for Housing and Communities about how no requirement to stay on the Island and leave a home ... I am not going to use the word "property"; I have been through this before in this Assembly. A home empty for what could be 365 days a year, how does that fit in with an empty homes policy? It simply does not and I would like the Minister to respond to that. I would like the Minister for Economic Development, Tourism, Sport and Culture to respond to how we know what data is there to show the economic benefit of this scheme. What data is there to say that there are people who want to come to Jersey will not come to Jersey because this scheme is not here. Jersey has a lot more to offer and we should be a lot more proud in our society, I believe. Not only is it a beautiful Island, it is safe, we have a very direct democracy, we have access to all sorts of places in Europe and Britain, et cetera, and good relations in that way. Those are the things that we should be selling more. Not simply let us have a tax cut for the rich or for the wealthiest. I would like to question one thing; really get the evidence for it because I am not so sure. This is a strange sort of inequality. We seem to hear that those residents who come in on the 1(1)(k) scheme add a lot to society because they work for charity and donations, et cetera. Where is the evidence for that, that even local people with wealth are also contributing? Do they contribute more? Do they contribute less? Are they adding just as much? Where is that evidence for that? There is not. I believe that ... and this is anecdotal again to say this is the reason we have the scheme. There comes a point when we have to value people differently. We are going through a stage in our society of saying what is the value of people who come to this Island and what do they bring. We were recognising post-Brexit, we were talking about it at lunchtime and the effects of Brexit and the effects of COVID, that we are struggling to recruit and retain staff in all sorts of areas. Not just in the teaching profession but in the service sectors of our economy, the hospitality sectors, et cetera. We need to make sure that those people are valued. Why are we not giving a 1 per cent tax rate to those people who come into the Island delivering those services temporarily for 9 months? They are paying into 6 per cent social security and getting no benefit from it. But there is no scheme like that. This is what we need to look at. This is what a review needs to look at. We need to understand fully and not just have those anecdotal beliefs it must be good because they are wealthy, the people are wealthy so it must be good, they must be bringing

more. I remind everybody that tax is a percentage system. It needs to be remembered. £250,000 might sound a lot but of a large amount of wealth it is a very small percentage, and that is where the inherent unfairness comes from people each month when they look at their pay packet and see their 14, 15, 16, 17, 20 per cent tax going. I am paying my share, my percentage, why is everybody else not doing that? I urge Members to not just dismiss this proposition but think about what was said in the opening speech, which I thought was an excellent presentation of the content of this proposition. Let us remember what we are here for. We are here to debate this proposition. Not hearsay, not red herrings, not strawmen or women, but actual what the proposition is about. If you are going to speak please speak on that proposition. With that I urge Members to support this.

4.1.2 Deputy K.L. Moore:

I should start by saying that I was very pleased that yesterday the Assembly voted to support the version 5 regime, and unanimously so. The version 5 regime takes our agreement with this group of entrants to a position that some would say is uncompetitive against any other jurisdiction that has a similar scheme for incoming residents. At £250,000 a year we are priced higher than any other similar scheme in the world. That is exactly for the reason that Deputy Ward just stated, that we offer a fantastic package to residents who wish to move here under such a scheme. We offer safety, we offer geographic position, we offer language, currency, a fantastic economy that provides a high level of good quality professional services to support those people in any business endeavours that they might do while in the country and in the Island. This has for many years been a successful scheme that has brought people who have brought with them not simply their taxation payments, because this is not a transactional agreement. It is an agreement that brings with it many other benefits. I absolutely respect Deputy Feltham's requests for specifics and for data because that is something that she is always very focused on doing. But there are also less-tangible items that are harder to quantify, but I can try to give the Deputy some insight into some of those. But also I would ask her and others to give consideration to the intangibles, to the philanthropic giving that we know is so prevalent in the Island, to the measures such as the extension of Millbrook Park that would not have occurred if it was not for the generosity of an individual who came here under this scheme and decided to make that contribution for the public's benefit. There are many such examples of things that would not happen in the Island if it was not for the existence of this scheme. But, as I say, another of the intangibles is the dynamism, the entrepreneurial spirit that comes with people who join this scheme. That has been very prevalent in some of the cases that we have seen more recently. The number of applications that we have seen since we joined this Government have been quite substantial and we have, in fact, turned down quite a number of those applicants because the Island is able to choose and because we have a very desirable offer to those who wish to move here. It is something that we take very seriously when we make those considerations. If I may offer some insight into the figures that the Deputy is seeking. I can quote one accountant who suggested that they had one client - just one client - who contributed £10 million to philanthropic giving on an annual basis. That is a piece of information that would be hard to quantify because of course we do not gather that data on individuals, and I think most people would not expect people to identify exactly the level of that data. But I hope that that insight enables the Deputy to have some sense of the philanthropy that does occur. What we have considered doing, as a Government, is identifying the philanthropic giving that this scheme brings to the Island by devising a kitemark. We could do that through the Jersey Funders Group or other such organisations that would be able to act as a channel so that we can flag schemes that are delivered to the community, thanks to that philanthropic giving, so that it can be better understood and identified. Of course not saying exactly from whom. But we recognise that that would be a considerable benefit. Of course I am sure Deputy Mézec is very aware of the benefits of philanthropic giving that have bestowed Sanctuary Trust, for example, and the homes that a specific Islander has donated to that particular organisation to ensure that others who are less fortunate benefit from a roof over their head when times are hard.

[14:30]

We touched on many of these issues in the earlier debate and, as I say, I was grateful to the Assembly for their support of our new scheme, which is, as Deputy Feltham said herself, a big step forward and an improvement on what has gone before. Before wrapping up, I could share that the other day I sat next to one of those individuals as I was returning to the Island from a private visit, and they explained to me how their business has grown from 2 people in the space of a year to 11. They now employ 3 local people and are really pleased to have a presence in Jersey. They are great champions now of the Island and in fact have found that others working in their organisation now want to move here, not just under this scheme but under other schemes so that they can work for this organisation. But it is one that delivers a great amount of capital to our economy. So it is not, as I said earlier, simply a matter of taxation as a direct benefit but the creating of capital, the creation of investment and other profits that benefit the whole of our economy. Deputy Feltham also talked about welcoming, welcoming this community, but also of course we welcome every member of our community who comes here to contribute at whatever level. That is certainly something that we have been focused on as a Government in the past year. Just today we will see that a change has been made to help young people who come here with their parents who are contributing to our economy or our services and can now access a wider range of jobs. Just like, with the support of the Assembly, we opened up jobs to people who come here with partners, although they may not be married they now have access to every job opportunity in the Island because that is, as an Assembly, what we have agreed to do. We are making good progress I think, and we are making good progress for not simply this area of our community but also all of those who contribute and help our community to be one that thrives.

4.1.3 Deputy S.Y. Mézec:

Anecdote, anecdote, anecdote is all that we just heard in that speech. Deputy Feltham, I think, gave an outstanding opening speech on this, and tried to highlight the importance of evidence-based decision-making and to look at that scheme through a lens of reality and not simply hearsay. The Chief Minister spoke about how the entrepreneurial spirit of these people was intangible. No, it is not intangible. There are great amounts of that that could be measured. We could conduct a study to find out exactly how many people are employed directly by those who have moved here under the 2(1)(e) scheme. We can do that very easily. It would take a little bit more work to come up with an estimate of how many indirect. That would be a tangible piece of evidence to help us evaluate the pros and cons of this scheme and whether it all weighs up to be in favour overall of the scheme. We have had nothing on that. We keep getting told about the philanthropic giving of these people. I spoke very recently to somebody who is very senior in Jersey's charitable scene, I am prepared to admit that this is anecdotal, who said that the 2(1)(e)s are absolutely no more generous than local high-net-worth people who have not moved to the Island under that scheme, but who made their careers and their wealth here instead. We have this debate on the basis of nothing more than conjecture. The idea that this scheme is an overall good for the Island is a received wisdom which you cannot possibly challenge. It is a poor argument because we do not have that data, we do not have that study, to work out overall whether the schemes provide a net positive to the Island or not. That is why in this proposition we ask for part (c), that a full and comprehensive cost benefit review of the scheme be done so we can know the facts. That can be done and we can make up our minds subsequent to that. It would at least provide a basis that we are not relying on the intangibles and the anecdotes which frankly are all we have had thus far, despite the fact that this proposition quite clearly is aimed at trying to move us to a more tangible and evidence-based debate on this. It is worth supporting on that basis alone. Parts (a) and (b), which naturally go together, are about a very basic and fundamental issue of principle here, which is whether you are in support of providing extremely generous tax breaks to people who, in some instances, will come to the Island with little to do with it, have no requirement to spend any time here, may take up large amounts of land, buying a big home and as much land around it as they can to make sure they are as far away from neighbours as possible. Or whether you believe in an equal tax system where you still have a route in for the Island

if you think that there is a benefit to be had by bringing an ambitious entrepreneur to the Island who has a high net worth, but you say the basis upon which you come to Jersey is equal to that of the basis of everybody else who comes here. I had to say, I found it galling reading the comments to this proposition. The very first sentence of it, which refers to social inclusion, has the nerve to say that this proposition runs counter to this aim. It runs counter to this aim to say that people should be taxed on an equal basis. How utterly absurd it is to suggest that Deputy Feltham's proposition, which aims for people to be treated equally, is somehow not inclusive and divisive. We clearly have different views on what the term "social inclusion" means. This is about getting rid of exemptions and treating people equally. You do not need to be a political radical to think that treating people equally in the tax system ought to be the normal position. Providing for exemptions is clearly one where a case has to be made and no case has been made and we keep getting references to the intangible and the unevidenced. I would ask Members to support parts (a) and (b) of this proposition if you believe that having tax exemptions in our tax code for people who do not have those strong requirements to contribute here and for whom all the evidence we get in support of it is purely anecdotal. To say they should pay the same as the rest of us, they should pay on the same basis as our constituents and our voters. I personally would not be able to look any constituent in the eye and say: "You should not be entitled to what we are prepared to do to make an entitlement for the super-wealthy who move to the Island, who otherwise have no connections here and who are not required to have great connections when they come here." It is an absurd proposition to put to them. If you cannot stomach that because it means change immediately as a result of this, but you prefer to understand the facts a bit more, then part (c) of this proposition can surely be uncontentious, because it would enable both sides of the argument here to, at the end of it, have an evidence base upon which to move forward on what we may wish to see for this. If it can provide a wonderful evidence-based elaboration on the benefits of this scheme then it would sure take the wind out of the sails of people who have a problem with this scheme. So even those who support it do not have a leg to stand on in asking to oppose part (c) and have that review so we can understand it better. Those are my reasons for supporting the proposition and I urge Members to support all parts of it.

4.1.4 Deputy M.R. Scott:

There are some themes that have been raised which resonate with me. One of them is equity. It is totally unfair that local residents who earn more than a certain amount of money, in fact the same as some of the 2(1)(e)s that come into the Island, nevertheless are taxed at 20 per cent. Nobody seems to address this. There is this unfair discrimination in favour of people who come into the Island compared to those people in the Island. Do I think the way around that is to tax the wealthy immigrants who do come into the Island at 20 per cent? No, it would be fairer to tax those people who are in the Island earning more less, because some of them - and this is anecdotal evidence - have left. They have been that cheesed off with the way that the Island discriminates against them. They think: "Why do we not go somewhere else beautiful, because there are many beautiful jurisdictions in the world?" Anecdotal evidence, yes. If you want equity, why think of it one way, why not invert this and think: are we treating people fairly in terms of not thinking about the people already here who have succeeded to a certain point and are still paying loads of tax on their income? I do suggest Deputy Mézec thinks of that both ways. Get rid of exemptions and treat people equally in the tax system. We have had a whole debate about this in terms of married people. I really do not support that, sorry. I see that that disadvantages lower income people. Again, I cannot see that these arguments stand greater scrutiny. Nevertheless, I do very much support this idea of having proper data, having evidence. It is a natural theme very dear to my heart. I would like a lot more data in terms of the cost of people leaving the Island compared to the cost of people coming into the Island. I do believe that I have seen information or data from the Income Tax Department suggesting that there is a value to having wealthy immigrants come to the Island. Again, I remain a bit confused by this proposition. I remain confused that we have the chair of the Public Accounts Committee, whose focus has been on public accounts and when it comes to balancing the books in our own Island, there

is plenty of that to do and we do have to think how are we going to keep sustaining the income that we need to support the services that we have been producing. Large amounts of land that are acquired by wealthy residents, again, I suspect there is a way of dealing with that. I suspect there are many ways of dealing with that. I find this proposition seems to be a bit knee-jerk at this time, when we do have difficulties as an economy ... which I know all States Members have been presented with information that relates to the challenges that we have. Do we cross out another area of potential income at this point? I only see folly in that at the moment.

4.1.5 Deputy K.F. Morel:

A week, as they say, is a long time in politics. I have learned that 2½ hours is also a very long time in politics. I heard Deputy Mézec talking about the need for equality in a tax system, knowing that he just voted and got his party to vote against equality for women in the tax system. I do find that a really fascinating position to hold. However, moving to this proposition, I do understand that people have concerns around the High Value Residents' scheme. I am one of those people, I am an Islander myself who has often raised concerns. I said this yesterday, so I do apologise for repeating myself, one of the things we do not understand often as an Island is that it is entirely our choice to do this. We have this separate tax break, for want of a better word, for high value residents precisely to attract them. It is designed to attract people to the Island.

[14:45]

Without that system they are less likely to want to come to the Island because, as Deputy Scott said yesterday, pretty much all other jurisdictions have such a tax, a leading tax system for high value residents to attract them to their jurisdiction, so that they can become taxpayers in their jurisdiction and bring not just their tax but bring businesses, bring investments, bring contacts. There are things which, I can tell you, not anecdotally but genuinely, on the contacts one there is no question that high value residents do open up their address books to us and say things like: "Oh yes, I know someone from London who can help you with that." There is no question that there is benefit there, because it is not just us who do this, it is pretty much every other jurisdiction in the world. However, there is value, I completely understand, in saying it is the right thing to do. We can keep asking that. I have fallen down on the side of, yes, I do believe it is the right thing to do. I do believe that Jersey benefits hugely from having high value residents come here, but I also think that we, as a Government, have led the way in saying we want to make sure they pay the right cost for being here, that they provide the right amount of revenue commitment to the Island and that also we are pushing for them to have not just economic but social impacts which benefit the Island. I know that the high value residents that I have spoken to definitely do provide both economic and social benefit to this Island. It is true though as well that there is not a great deal of data. It is an unfortunate truth. However, we know that the study from 2010 that was done in Government led to the conclusion that in 2009 it was conservatively calculated that between £50 million and £70 million per year of economic impact to the Island was created in 2009. We can assume that given the cost of living and inflation that that has only increased as a figure. So £50 million to £70 million there; that, of course, should be much greater now, as there are more high value residents, inflationary effects and also the fact that we are now targeting more entrepreneurial cohorts of high value residents. That is a really important element to underline. We are seeking to attract a more entrepreneurial cohort of high value residents to this Island. That is something that we on the Population Skills Ministerial Group and on the Housing and Work Advisory Group are bringing to all our deliberations on the applications that we see before us. We want to see people who will be getting involved in the Island and bringing business and social benefit; there is no question. We know that in the last 3 years there has been significant individual activity from high value residents bringing their businesses to the Island. We have seen this particularly in financial services around new funds and private offices. We have also seen high value residents engaging with digital start-ups, FinTech, fitness businesses, sports clubs and also the medicinal cannabis industry as well. They have all attracted investment from high value residents

who were relatively new to the Island. That is important. I was speaking a couple of weeks ago to one who has brought 2 businesses to the Island and employs 7 people here. He also employs people in London and Dublin. He could have stayed in London or Dublin, but he chose to come to Jersey and set up business in Jersey. We also see significant contributions to the appeals that we make. Again, it is difficult to get an exact figure on it but we know that 7-figure contributions have been made to the Ukraine Appeal, our Pandemic Response Appeal and also we have seen the gift of Millbrook playing fields, which was donated by a high value resident to the Island. We have seen £120,000 donated towards a joint project with education to bridge the digital divide in primary and secondary schools. It is wrong for us to say that nothing is happening. We have to move from that position. People who move to this Island as high value residents genuinely are engaging. They are bringing economic benefit. Do I think we should be collecting that data a bit more solidly? Yes, I do. To that end, as you will see in the comments paper, Government will undertake certain reviews. We can do a broad-based review or we can do more specific reviews looking at particularly the housing market or the charitable sector, things like this. The point there is that the main issue with part (c) is just not trying to create more uncertainty in the system. Part (c) in itself, broadcasting that to the rest of the world, I know, having spoken to people, particularly tax advisers who work with their clients when they come to the Island, that Jersey is being seen as very uncertain. I would be unhappy, from an economic perspective, to see a sense that there is instability in the Island. I am referring to the debate we have just had. We saw there how one decision of the last States Assembly, an almost unanimous decision, was almost overturned here in this Assembly with regards to our tax system. That creates real uncertainty and gives a picture of Jersey not being the stable place that it is. Stability is something that we as Islanders find hard to understand how important that is as part of the bedrock for what Jersey offers the rest of the world. Being stable is something in a world of volatility and change. Being stable is a unique quality. We do need to understand that. That goes the same for here. My 2 main arguments against part (c) are ... one thing is not to project that sense instability, but we, as the Government, will undertake various reviews. I can say that. The other side of it is the wording of that part of the proposition where it talks about the cost-benefit analysis. I could give you a cost-benefit analysis now. I believe that we spend £50,000 a year with Locate Jersey in terms of money through the Government Plan. We also obviously provide one person's salary, who is the aftercare service for high value residents. That £50,000 plus one salary is the amount that we, as Government, spend on the high value residents' regime. One tax return of a minimum today of £170,000 pays for all of that. So your cost-benefit analysis is done in that sense. What I am trying to get at here is that the wording of that part of the proposition where it refers to a cost-benefit analysis, in my view, is too wide and woolly to be properly understood. You either start by saying the Government spends £100,000 and something on this scheme, it received many millions of pounds in tax returns, so the cost-benefit analysis is really simple, it is a massive benefit. Or you can go to the other end of the scale where you are trying to capture every single cost. That could be the opportunity cost of a high value resident buying that house instead of me buying that house or that cost to me as an Islander. Do we want to try and bring that in there as well? Part (c) is a poorly worded part of the proposition, where it is not clear at all what it is asking for. It talks about cost-benefit analysis. That and it does not ask of what. It says of the High Value Residents' scheme. If it is that, then I have given it to you. It costs us £100,000 and something, we get many millions of pounds in return. So the cost benefit analysis in that respect is completely clear: massive benefit, very little cost.

4.1.6 Deputy D. Warr of St. Helier South:

I am not going to engage in the debate too much, rather answer Deputy Feltham's challenges in her opening speech. The first one is around homes and the impact on the price of homes in Jersey and what impact these individuals will have. I am checking the detail here, 264 homes have been purchased over 19 years. The average price has been £3.9 million. In that 264 figure, some of that is about people changing the size of their home, maybe from an apartment to a home. It could be the

other way around, downsizing as well. It also includes individuals who are high-net-worth individuals who may be developing other properties, for the benefit of local Islanders. That will be included in that number of 264. I cannot, and we have been talking a lot about data, give an exact breakdown of that, but I am sure that those numbers are included. In terms of the pricing of homes, one of the objectives has been to move the price of homes away from the local market to try and separate and differentiate. You will have seen the numbers have gone from an apartment being £950,000 as a minimum purchase level to £1.75 million and homes from £1.75 million to £3.5 million. We are endeavouring to manoeuvre this part of the market out of the local market. There obviously will still be locals who will be able to afford these prices, but the endeavour is to move this into an area of the market which does not have an impact on the local housing market. The other point around space and size, the Chief Minister has brought in this limiting developments over 3,000 square metres. That is a 100-day action plan to restrict that. Finally, as much as these numbers are here, this is a very dynamic housing market. Clearly, these numbers, as Deputy Morel has mentioned here, we are constantly under review. We are endeavouring to make sure that we do not impact the local housing market. In terms of the vacant homes side of things, I would like to hear Deputy Feltham's evidence that there are all these 2(1)(e)s who are living on the Island for one day a year, because clearly we would like to hear some evidence on that fact. I would also point out that the non-qual market enables people who are not 2(1)(e)s to come to this Island, invest in a property and come and go as they like. We do not monitor them. It is not unique to 2(1)(e)s that position. Clearly the 2(1)(e)s when they come in, even if it is only for a few days, are still going to pay their tax liability, so that is important. The other area is around gaining housing qualifications. To gain residential qualification of 10 years, you have to complete a continuous residency in your property for so many months a year; otherwise you cannot gain residential qualifications. Again, that is something which is of concern to some people. In terms of evidence of philanthropy, Deputy Mézec absolutely knows of philanthropic situations, because he and I both slept for a night in a car park in aid of Sanctuary Trust. I am sure he is very aware that £24,000 of the money that was raised was donated by 2(1)(e)s. I am sure he is very aware of that, so that is very evidential. To reiterate the Chief Minister's point, Sanctuary has 2 homes which have been paid for and bought by 2(1)(e)s. There is very real evidence that there is a benefit philanthropically to this Island. Hopefully that covers most of what Deputy Feltham was concerned about. I am sure she will correct me if I have missed anything out.

4.1.7 Deputy A. Howell:

I wanted to add to this debate, fairly recently a young friend who is a senior civil servant over here said, "Andy, a really important thing you need to do is keep the stability of Jersey." We should not be sending out a message that we are not open for business to ask people to come in. To Deputy Morel's point, I do know of people who have given very generously to this Island and continue to do so. They would not want to be a kitemark. They do it under the radar. I know very well someone has contributed a great deal for the digital primary school projects. I know people who help Family Nursing and all our charities. We have to be very careful not to cut off our noses to spite our faces. We have to have real evidence and we should carry on as we are. That is what I have been asked to do by very many people.

The Deputy Bailiff:

Thank you, Deputy. Does any other Member wish to speak on this proposition? I call upon Deputy Feltham to reply.

[15:00]

4.1.8 Deputy L.V. Feltham:

In all honesty, I do not know where to go with that. None of the questions I asked of Ministers were answered, which rather proves my case for part (c) of the proposition. What we heard there was

anecdote, anecdote, anecdote and more anecdote. The Minister for Housing and Communities is laughing, but I think it is a serious situation that we are in. We are in a housing crisis and we have plenty of local families looking for affordable homes to buy. We are potentially welcoming in people, 15 a year, who could be purchasing rather large properties that could be used for other purposes. I am quite disappointed not to hear back from Government with any kind of creative thinking. When I addressed Ministers with the questions I addressed them with, they were specifically items that had not been addressed within the comments paper. All I got back from Ministers was a rerun of the comments paper. I asked these questions before lunchtime. People had an hour and a half to go off and do their research. To be quite honest, I am disappointed to get a rerun of the comments paper and not a response back to the questions that I asked. I will go through some of the comments that were made. Deputy Ward was as frustrated with the arguments being made in the comments paper as myself, followed by the Chief Minister, who talked about us being uncompetitive within that market. It is quite a small market. We are talking here about 15 people coming over a year. Right now we are uncompetitive in the market for essential workers. That is the market that I want us to focus on being competitive on. That is the market that we need to be focusing on. Those are the people that could potentially be living in affordable housing on those very pieces of land that are currently being bought up by those 15 people a year. Let us not forget that, as we found yesterday, those people do not need to live on-Island. I was really disappointed that the Minister for Housing and Communities did not address my point on his empty homes plan, because what we are proposing and what we are promoting here is a scheme that encourages very large empty properties and unused land for vast portions of the year on-Island. The Chief Minister talked about the intangible benefits. She was not talking about intangible things that cannot be measured. She was talking about tangible things that can be measured. Philanthropic giving can be measured in the type of review that I am proposing. The Millbrook Park example that was talked about by 2 Ministers is an interesting one, because Millbrook Park was given to the Government with certain caveats. My understanding from the research I did is that the person paid £700,000 or £900,000 to buy it. Had the Government bought it itself those caveats would not have existed and the Government could use it for whichever purpose it saw fit for the most benefit for the community of the Island. There are weaknesses to philanthropic giving sometimes. When you are gifted something it can bind you in the purpose and the use that you can use those things for. The Chief Minister continued with more anecdote about an accountant she spoke to and a business owner on a flight. A proper and full and comprehensive review would be able to substantiate that with some evidence, if indeed that is correct. Thank you to Deputy Mézec for sharing my principles in wanting a fair tax system and one that is not regressive. He, again, was rather frustrated by the amount of anecdote that we keep on hearing. That is exactly what part (c) of this proposition is trying to prevent. It is trying to give us a sound basis upon which to make good decisions on into the future. Deputy Scott talked about themes. I am glad that she shares my principle of equity and does not like unfair discrimination. She has a different solution to part (a) than I. I would question Deputy Scott as to why she did not seek to bring an amendment to this proposition, which she could have done. However, that amendment would have been to reduce the tax for the most wealthy individuals on the Island. I cannot imagine how that would go down with the public. She does support the need for data and evidence. She also talked about this being a knee-jerk proposition. Well, if she has read the Reform Jersey manifesto she will know that we have a very strong-held and long-held position on this particular point. Deputy Morel did not answer the question I asked him. I do not think he has taken that burden of evidence to show us what the economic impact is. He said that the proposition was rather woolly in asking for a cost-benefit analysis. If he read the report, he would have seen an excerpt from P.2/1974, which talked about the type of cost and benefit analysis the Government of the day did then, which included the effect of superior purchasing power on the take-up of housing and building resources reflected both directly and indirectly in house prices. The demands placed on the labour market, the demands placed by ancillary domestic staff on education and medical services and the effect on the use and price of agricultural land. If they could come up with a terms of reference for a decent cost-benefit analysis in 1974 I am sure that this

Government could come up with a decent terms of reference for a cost-benefit analysis in 2023. Further, I note a paper that was written by Colin Powell, who I know is well-regarded by many Members of this Assembly. In that it states future policy regarding 1(1)(k) consents should be determined by having regard to the cost benefits of those making application currently. So there we go. Colin Powell also felt that we need to do cost-benefit analysis. Deputy Morel would not have called him woolly. There was also talk about the uncertainty this might bring to the people who might want to take up this opportunity and this offer. For me, I am balancing the uncertainty for that small number of very privileged people who quite rightly want to come and live in our beautiful Island ... or I hope they want to come and live and not just buy up a house and maybe fly in on a private jet and then fly off again. That level of uncertainty, we are not changing anything for anybody already here. It is not about people who have already signed up to 2(1)(e) status. This is about new applicants. We are not changing anything in their lives. Now, if the biggest uncertainty in their life is where they might choose to live for a tax break, they might need to speak to some of my constituents in St. Helier Central. What I am trying to deal with right now are the uncertainties for my constituents and whether or not this particular scheme is of benefit to my constituents. Right now I have to question that. Ministers, in their response to my proposition and in their speeches today, have absolutely not given me confidence that they have given due care and attention in what has been presented to us - I cannot even call it a review - in their despot research, I will call it that to be polite. We need to do some well-thought-out research into that. Deputy Howell also talked about the stability of Jersey. Again, this is not about making things unstable. This is not about being unwelcoming. Deputy Mézec said these people are very welcome to come during the time that the scheme would be shut. They could come on the same terms as the rest of us, the same terms as everybody else. It is not a closed door. Back to the Ministers who did not answer my questions. We have the Minister for the Environment, who did not answer the questions on the impact of land use. We have the Minister for Treasury and Resources, who did not answer the questions on why this particular tax change is so complex and also did not answer my challenge as to how he considered the current scheme to be fair. What am I left with? I am left with the Council of Ministers, who seem not to have taken this proposition seriously at all. I hope that other Members will take this proposition seriously and I hope that they will support all parts, but if they cannot support (a) and (b), I do hope they support part (c), so that we can be better informed in debates like this in the future. Sir, I call for the appel.

The Deputy Bailiff:

Thank you, Deputy. To be clear, you invite the Assembly to consider (a) and (b) together and then (c); is that right.

Deputy L.V. Feltham:

Sir, take (a) and (b) separately.

The Deputy Bailiff:

(a), (b) and (c) separately, yes, of course. The appel is being called for. Members are invited to return to their seats and the first vote will be on paragraph (a) of the proposition. Deputy Tom Binet, do you have a question?

Deputy T. Binet of St. Saviour:

Seeking a point of clarification, as I believe that Deputy Rose Binet and myself may be conflicted, insofar as we own an apartment block that we rent to 2(1)(e)s. Would that oblige us to step out of the voting, Sir?

The Deputy Bailiff

Let me consider that Standing Order. Deputy Feltham, does your proposition apply to all 2(1)(e)s or merely the new ones?

Deputy L.V. Feltham:

The new ones, because my understanding is that the tax agreements and arrangements with people already here cannot be changed, everything has been retrospective in the past.

The Deputy Bailiff:

Thank you for the declaration. In those circumstances, you are able, Deputies Binet, to vote on this proposition.

Deputy T. Binet:

Sir, because one of the apartments is up for rental again shortly and may involve another 2(1)(e) it is probably best that we abstain.

The Deputy Bailiff:

It is probably best that you do not vote on this proposition, yes. Thank you very much for declaring that interest. We return to the vote. I invite the Greffier to open the voting. The vote is open and Members are invited to cast their votes. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. Part (a) has been rejected: 12 votes pour, 28 votes contre and 2 abstentions.

POUR: 12	CONTRE: 28	ABSTAIN: 2
Connétable of St. Lawrence	Connétable of St. Helier	Deputy R.E. Binet
Connétable of St. Ouen	Connétable of Trinity	Deputy T.J.A. Binet
Connétable of St. Saviour	Connétable of St. Peter	
Deputy G.P. Southern	Connétable of St. Martin	
Deputy R.J. Ward	Connétable of St. John	
Deputy C.S. Alves	Connétable of St. Clement	
Deputy S.Y. Mézec	Connétable of Grouville	
Deputy T.A. Coles	Connétable of St. Mary	
Deputy B.B.de S.V.M. Porée	Deputy C.F. Labey	
Deputy C.D. Curtis	Deputy S.G. Luce	
Deputy L.V. Feltham	Deputy L.M.C. Doublet	
Deputy A.F. Curtis	Deputy K.F. Morel	
	Deputy M.R. Le Hegarat	
	Deputy S.M. Ahier	
	Deputy I.J. Gorst	
	Deputy K.L. Moore	
	Deputy Sir P.M. Bailhache	
	Deputy D.J. Warr	
	Deputy H.M. Miles	
	Deputy M.R. Scott	
	Deputy J. Renouf	
	Deputy M.E. Millar	

	Deputy A. Howell		
	Deputy M.R. Ferey		
	Deputy B. Ward		
	Deputy K.M. Wilson		
	Deputy L.K.F. Stephenson		
	Deputy M.B. Andrews		

[15:15]

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Lawrence, St. Ouen and St. Saviour, Deputies Southern, Rob Ward, Alves, Mézec, Coles, Porée, Catherine Curtis, Feltham and Alex Curtis.

The Deputy Bailiff:

We now move on to part (b) of the proposition.

Deputy L.V. Feltham:

Part (b) falls away, Sir.

The Deputy Bailiff:

Yes, thank you very much, Deputy Feltham. I will move on to part (c) of the proposition. I invite the Greffier to open the voting. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. I can announce that part (c) has narrowly been rejected: 19 votes pour, 21 votes contre and 2 abstentions.

POUR: 19	CONTRE: 21	ABSTAIN: 2
Connétable of St. Helier	Connétable of Trinity	Deputy R.E. Binet
Connétable of St. Lawrence	Connétable of St. Peter	Deputy T.J.A. Binet
Connétable of St. Martin	Connétable of St. John	
Connétable of St. Clement	Deputy G.P. Southern	
Connétable of Grouville	Deputy S.G. Luce	
Connétable of St. Ouen	Deputy L.M.C. Doublet	
Connétable of St. Mary	Deputy K.F. Morel	
Connétable of St. Saviour	Deputy S.M. Ahier	
Deputy C.F. Labey	Deputy I.J. Gorst	
Deputy M.R. Le Hegarat	Deputy K.L. Moore	
Deputy R.J. Ward	Deputy Sir P.M. Bailhache	
Deputy C.S. Alves	Deputy D.J. Warr	
Deputy S.Y. Mézec	Deputy H.M. Miles	
Deputy T.A. Coles	Deputy M.R. Scott	
Deputy B.B.de S.V.M. Porée	Deputy J. Renouf	
Deputy C.D. Curtis	Deputy M.E. Millar	

Deputy L.V. Feltham		Deputy A. Howell	
Deputy A.F. Curtis		Deputy M.R. Ferey	
Deputy M.B. Andrews		Deputy B. Ward	
		Deputy K.M. Wilson	
		Deputy L.K.F. Stephenson	

That concludes Public Business for this meeting. I invite the chair of P.P.C. (Privileges and Procedures Committee) to propose the arrangement of public business for future meetings.

ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

5. The Connétable of St. Martin (Chair, Privileges and Procedures Committee):

At present, we have 17 items listed for debate at the next sitting on 18th July. Nothing else has been lodged since the Consolidated Order Paper, apart from an amendment to P.17/2023. As there are so many items on the agenda, there is a question as to whether we will be able to get through all the business in the 4 allotted days. To err on the side of caution, I would like to propose that the next sitting commences at 2.30 p.m. on Monday, 17th July, to enable us to get through the questions and start debating the propositions on Tuesday morning, 18th July.

The Deputy Bailiff:

Firstly, is that proposition seconded? [**Seconded**] Yes, do Members want to speak on this? Deputy Scott, you were first.

Deputy M.R. Scott:

I want to clarify, P.41, has that been deferred. Thank you, I will give the Minister for Treasury and Resources a chance to speak.

The Deputy Bailiff:

Thank you. Deputy Porée, yours was the second light.

Deputy B.B. de S.DV.M Porée of St. Helier South:

I wanted to share that I did make plans to be away on Monday, 17th July, so I will not be able to be here.

The Deputy Bailiff:

Thank you very much for letting us know.

5.1 Deputy I.J. Gorst:

Yes, as I said during an earlier debate, I ask for P.41 to be initially moved from 18th July to 12th September. Bearing in mind some of the complexities raised during the debate, it may need to be referred to later in the year, but if we leave it at the 12th for now, please.

The Deputy Bailiff:

Thank you, Deputy. Does any other Member wish to speak on the proposition that the Assembly is adjourned until 2.30 p.m. on Monday, 17th July? All those in favour of adjourning to that date, please kindly show. Thank you very much. That proposition is adopted. Accordingly, the Assembly is adjourned until Monday, 17th July at 2.30 p.m.

ADJOURNMENT

[15:20]