

2.1 Connétable A.S. Crowcroft of St. Helier of the Minister for Treasury and Resources regarding progress with the States paying Parish Rates on property in public ownership:

In R.C.56/2005 regarding “*Parish Rates: the States’ liability*”, the former Finance and Economics and Committee identified that: “there is a strong argument that the States should pay rates”, there was an unfair burden on several Parishes at the present time, and that the issue should be addressed as a priority with “firm recommendations” being made in 2006; would the Minister indicate what progress, if any, is being made?

Senator T.A. Le Sueur (The Minister for Treasury and Resources):

I am not sure where the Constable has found the reference to firm recommendations being made in 2006. I have searched R.C.56 and can only find a reference in the concluding paragraph to an anticipated date of 2007 for such recommendations to be presented. However, by way of reassurance, I can confirm that it is still my intention to bring forward firm recommendations at that time on the possibility of the States paying rates on its properties. If they read elsewhere, Members will find in the executive summary, the words: “In the interests of fairness and transparency, the Finance and Commerce Committee supports the argument of the States being rateable on all its properties. In recognition of the inequity caused by the current exemption and the severe financial constraints placed by the States, the Committee puts forward its preferred option for funding this potential liability. The Committee believes it would be unwise for the States to make a firm recommendation with regard to funding until the economic impact on the fiscal strategy are clearer and the Island-wide rate debated, accepted and implemented. The Committee would like to issue this R.C. as a preliminary consultation document in respect of the way forward.” I remain of that opinion. At the present time, while the Island-wide rate has been debated and accepted, its effects, particularly on businesses, have not yet been fully evaluated. Similarly, aspects of the fiscal strategy remain under review. By the end of this year, there should be much greater clarity in both these areas enabling proposals to be considered in light of full information. In conclusion, I reaffirm my support of the conclusions of R.C.56/2005 and it is my intention to bring recommendations as stated in 2007.

2.1.1 The Connétable of St. Helier:

I apologise for the typo. It is, indeed, 2007 and it should have been in the question. Notwithstanding that, if the Minister is to bring forward firm recommendations next year and given that the conclusion promises preliminary consultation, would it not be advisable for the Minister to invite Members of the Committee of Constables and other interested parties to form a working group this year in order that firm recommendations can be brought forward next year?

Senator T.A. Le Sueur:

Yes, Sir, I am perfectly happy to meet with the Comité of Connetables but perhaps that would be premature at this stage until the clear impact and the effect of the non domestic rate has been evaluated by them.

2.1.2 The Connétable of St. Helier:

Sorry, Sir, clarification. I did ask whether the Minister would be prepared to form a working group involving the Committee of Constables so that firm recommendations could be brought forward next year.

Senator T.A. Le Sueur:

I think it is more than a Comité of Connetables, so as the report suggested there are also matters of fiscal implication and economic implication. I would be happy to form a working group which would include the Connétables but other people would also be needed on that group as well.