

**THE STATES assembled on Tuesday,
5th December 2006 at 9.30 a.m. under
the Presidency of the Bailiff,
Sir Philip Bailhache.**

**His Excellency the Lieutenant Governor,
Lieutenant-General Andrew Peter Ridgway, C.B., C.B.E.,
was present**

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

Senator Frank Harrison Walker – en défaut (défaut raised at 09.40 a.m.)
Senator Wendy Kinnard – excused (arrived in the Chamber at 11.15 a.m.)
Senator Philip Francis Cyril Ozouf – en défaut (défaut raised at 09.45 a.m.)
Connétable Philip Francis Ozouf of St. Saviour– en défaut (défaut raised at 09.40 a.m.)
Connétable John Le Sueur Gallichan of Trinity– en défaut (défaut raised at 09.37 a.m.)
Connétable Richard Edward Norwood Dupré of St. John– en défaut (défaut raised at 09.48 a.m.)
Connetable Geoffrey William Fisher of St. Lawrence – en défaut (défaut raised at 14.29 p.m.)
Deputy Gerard Clifford Lemmens Baudains of St. Clement – ill
Deputy Peter Nicholas Troy of St. Brelade– en défaut (défaut raised at 09.52 a.m.)
Deputy Celia Jane Scott Warren of St. Saviour– en défaut (défaut raised at 10.47 a.m.)
Deputy Guy William John de Faye of St. Helier en défaut (défaut raised at 09.48 a.m.)

Prayers

Subordinate enactments tabled

The following enactments were tabled, namely –

Waste Management (Fees) (Jersey) Order 2006. <i>Minister for Planning and Environment.</i>	R&O 131/2006.
Restriction on Smoking (Notice for Workplaces) (Jersey) Order 2006. <i>Minister for Health and Social Services.</i>	R&O 132/2006.
Financial Services (Trust Company Business (Exemptions)) (Amendment) (Jersey) Order 2006. <i>Minister for Economic Development.</i>	R&O 133/2006.

Documents presented or laid

Land Transactions under Standing Order 168(3) – access road and associated land to St. Brelade Cemetery and Football Club– north of Belle Vue – transfer to the Parish of St. Brelade. Presented: 29th November 2006. <i>Minister for Treasury and Resources.</i>	R.92/2006.
Ministerial Decisions: supplementary guidelines. Presented: 4th December 2006. <i>Council of Ministers.</i>	R.93/2006.

<p>Planning for Homes 2006. Presented: 5th December 2006. <i>Minister for Planning and Environment.</i></p>	R.94/2006.
<p>Jersey Council for Culture: formation. Presented: 5th December 2006. <i>Assistant Minister for Education, Sport and Culture.</i></p>	R.95/2006
<p>Budget 2007 (P.130/2006): amendment (P.130/2006 Amd.)– comments. Presented: 4th December 2006. <i>Minister for Treasury and Resources.</i></p>	P.130/2006. Amd.Com.
<p>Budget 2007 (P.130/2006): second amendment (P.130/2006 Amd.(2))– comments. Presented: 4th December 2006. <i>Minister for Treasury and Resources.</i></p>	P.130/2006. Amd.(2)Com.
<p>Stabilisation Fund: rescindment (P.154/2006) – comments. Presented: 4th December 2006. <i>Council of Ministers.</i></p>	P.154/2006. Com.
<p>Stabilisation Fund: rescindment (P.154/2006) – comments. Presented: 4th December 2006. <i>Minister for Treasury and Resources.</i></p>	P.154/2006. Com.(2)
<p>Draft Planning and Building (Jersey) Law 2002 (Appointed Day) (No. 2) Act 200- (P.156/2006): amendment (P.156/2006 Amd.)– comments. Presented: 5th December 2006. <i>Minister for Planning and Environment.</i></p>	P.156/2006. Amd.Com.

Notification of lodged propositions

<p>Draft Planning and Building (Jersey) Law 2002 (Appointed Day) (No. 2) Act 200- (P.156/2006): amendment. Lodged: 28th November 2006. <i>Deputy S. Power of St. Brelade.</i></p>	P.156/2006. Amd.
<p>Draft Banking Business (Amendment No. 5) (Jersey) Law 200- Lodged: 1st December 2006. <i>Minister for Economic Development.</i></p>	P.159/2006.
<p>Draft Insurance Business (Amendment) (Jersey) Regulations 200- Lodged: 1st December 2006. <i>Minister for Economic Development.</i></p>	P.160/2006.
<p>Draft Road Traffic (No. 57) (Jersey) Regulations 200- Lodged: 1st December 2006. <i>Minister for Transport and Technical Services</i></p>	P.161/2006.
<p>Draft Regulation of Investigatory Powers (Jersey) Regulations 200- Lodged: 5th December 2006. <i>Minister for Home Affairs.</i></p>	P.162/2006.
<p>Ratification of Agreements with Bulgaria and Romania on the Taxation of Savings Income.</p>	P.163/2006

Lodged: 5th December 2006.
Chief Minister.

Draft Taxation (Agreements with European Union Member States) (Amendment) (Jersey) Regulations 200-. P.164/2006
Lodged: 5th December 2006.
Chief Minister.

Jersey Police Complaints Authority: appointment of Chairman and members. P.165/2006
Lodged: 5th December 2006.
Minister for Home Affairs.

Draft Income Tax (Amendment No. 26) (Jersey) Law 200 : amendment P.132/2006 Amd. – withdrawn

THE STATES noted that in accordance with Standing Order 34(1) the Minister for Economic Development had instructed the Greffier of the States to withdraw the amendment to the draft Income Tax (Amendment No. 26, (Jersey) Law (P.132/2006 Amd. lodged “au Greffe” on 21st November 2006).

Draft Planning and Building (Jersey) Law 2002 (Appointed Day) (No. 2) Act 200 : amendment P.156/2006 Amd. – withdrawn

THE STATES noted that in accordance with Standing Order 34(1) Deputy Sean Power of St. Brelade had instructed the Greffier of the States to withdraw the amendment to the Draft Planning and Building (Jersey) Law 2002 (Appointed Day) (No. 2) Act 200 (P.156/2006 Amd. lodged “au Greffe” on 28th November 2006).

Appointment of members of the Health, Social Security and Housing Scrutiny Panel.

In accordance with the provisions of Standing Order 125(1) Deputy Alan Breckon of St. Saviour, Chairman of the Health, Social Security and Housing Scrutiny Panel, indicated that he wished to have a Panel of 4 members, including the chair, and nominated the following three elected members as members of the Panel –

Deputy Roy George Le Hérisssier of St. Saviour
Deputy Judith Ann Martin of St. Helier
Deputy Sean Power of St. Brelade

There being no further nominations, the Bailiff declared the nominees duly elected.

Written Questions

(see Official Report)

1. The Minister for Transport and Technical Services tabled an answer to questions asked by Deputy Gerard Clifford Lemmens Baudains of St. Clement regarding the closure of the road at Havre des Pas during the summer months.
2. The Minister for Social Security tabled an answer to questions asked by Deputy Geoffrey Peter Southern of St. Helier regarding the cost of supplementation of social security contributions
3. The Minister for Economic Development tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier regarding postal prices
4. The Chief Minister tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier

regarding the renegotiation of Protocol 3.

5. The Minister for Housing tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier regarding the number and impact of 'j' category housing consents.
6. The Chief Minister tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier regarding the need for a pensions regulator.
7. The Chief Minister tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier regarding a possible public debate with a representative of the Tax Justice Network.
8. The Chief Minister tabled an answer to a question asked by Deputy Geoffrey Southern of St. Helier regarding the use of a 'unique identifier' in the population register.
9. The Chief Minister tabled an answer to a question asked by Deputy Geoffrey Peter Southern of St. Helier regarding the introduction of a shared equity scheme.
10. The Minister for Planning and Environment tabled an answer to questions asked by Deputy Geoffrey Peter Southern of St. Helier regarding the reduction in CO₂ emissions.
11. The Minister for Economic Development tabled an answer to questions asked by Deputy Geoffrey Peter Southern of St. Helier regarding the recent strike by security strike at Jersey Airport.
12. The Minister for Transport and Technical Services tabled an answer to a question asked by Deputy Gerard Clifford Lemmens Baudains of St. Clement regarding the cost of operating the incinerator at Bellozanne
13. The President of the Chairmen's Committee tabled an answer to a question asked by Senator Ben Edward Shenton regarding measures to assess the performance of the scrutiny panels.
14. The Minister for Planning and Environment tabled an answer to questions asked by Deputy Deirdre Wendy Mezbourian of St. Lawrence regarding the location of telecommunications masts near St. Lawrence Primar School.
15. The Minister for Transport and Technical Services tabled an answer to a question asked by Deputy John Alexander Nicholas Le Fondré of St. Lawrence regarding traffic volumes and the impact of new developments on traffic flow.
16. The Minister for Transport and Technical Services tabled an answer to questions asked by Deputy John Alexander Nicholas Le Fondré of St. Lawrence regarding the number of road accidents since 2000.
17. The Minister for Health and Social Services tabled an answer to a question asked by Deputy John Alexander Nicholas Le Fondré of St. Lawrence regarding the number of admissions to Accident and Emergency and the reasons for admission.
18. The Minister for Planning and Environment tabled an answer to a question asked by Deputy Roy George Le Hérisser of St. Saviour regarding the identification of sites for sheltered housing
19. The Chief Minister tabled an answer to a question asked by Senator Ben Edward Shenton regarding progress on the implementation of the Strategic Plan targets.

Oral Questions

[*\(see Official Report\)*](#)

1. Senator Ben Edward Shenton asked a question of the Assistant Minister for Economic Development

regarding compulsory redundancies at Jersey Airport as a result of the Future Directions Strategy.

2. Senator Ben Edward Shenton asked a question of the Chairman of Privileges and Procedures Committee regarding the debate on P.144/2006 on 22nd November 2006 and whether the Committee would look into the circumstances of the debate.
3. Deputy Roy George Le Hérissier of St. Saviour asked a question of the Minister for Social Security regarding moves to discontinue the practice whereby the costs of residential or nursing care were, in certain circumstances, recovered from the proceeds of the sale of a resident's home or from that resident's estate.
4. Deputy Alan Breckon of St. Saviour asked a question of the Minister for Planning and Environment regarding any compensation paid in 2006 in respect of the rescindment of planning permits.
5. Deputy Geoffrey Peter Southern of St. Helier asked a question of the Minister for Social Security regarding family allowance paid during the period 2001-2005 and why the decline point and datum income since 1991 on the capacity for Family Allowance had not been fully indexed to alleviate child poverty.
6. Deputy Roy George Le Hérissier of St. Saviour asked a question of the Minister for Health and Social Services regarding the principle of insurance to help cover the costs of residential and nursing care.
7. Deputy Geoffrey Peter Southern of St. Helier asked a question of the Chief Minister regarding preparations to deal with the consequences of the below-inflation pay offer made to both the manual workers and teaching unions.

Oral Questions without notice

[*\(see Official Report\)*](#)

The Minister for Education, Sport and Culture answered questions without notice from members.

The Chief Minister answered questions without notice from members.

The formation of the Jersey Council for Culture – statement

[*\(see Official Report\)*](#)

The Deputy of Grouville, Assistant Minister for Education, Sport and Culture, made a statement concerning the formation of the Jersey Council for Culture.

The move of the Dairy to Howard Davis Farm – statement

[*\(see Official Report\)*](#)

The Minister for Treasury and Resources made a statement concerning the move of the Dairy to Howard Davis Farm.

Budget 2007 – P.130/2006

Amendments

THE STATES commenced consideration of the Budget 2007 proposed by the Minister for Treasury and Resources and rejected an amendment of Deputy Geoffrey Peter Southern of St. Helier that—

- (a) At the end of paragraph (a), after the words “as set out in the Budget Statement” there be inserted the words –

“except that the estimate of total taxation revenue shall be reduced by £2,200,000 by increasing all income tax exemptions by 2.5% for the year of assessment 2006”; and

- (b) in paragraph (b), the proposed £10,000,000 transfer from the Consolidated Fund to the Strategic Reserve be reduced by £4,640,000.

Members present voted as follows –

POUR: 10

Connétable of Grouville
Deputy A. Breckon (S)
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy J.A. Hilton (H)
Deputy S.S.P.A. Power (B)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)

CONTRE: 35

Senator L. Norman
Senator F.H. Walker
Senator T.A. Le Sueur
Senator P.F. Routier
Senator M.E. Vibert
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Connétable of St. Ouen
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of Trinity
Connétable of St. Lawrence
Connétable of St. John
Connétable of St. Martin
Deputy R.C. Duhamel (S)
Deputy of St. Martin
Deputy R.G. Le Hérisier (S)
Deputy J.B. Fox (H)
Deputy S.C. Ferguson (B)
Deputy of St. Ouen
Deputy P.J.D. Ryan (H)
Deputy of Grouville
Deputy of St. Peter
Deputy G.W.J. de Faye (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy A.J.H. Maclean (H)
Deputy of St. John
Deputy I.J. Gorst (C)
Deputy of St. Mary

ABSTAIN: 0

THE STATES rejected an amendment of Deputy Geoffrey Peter Southern of St. Helier that–

At the end of paragraph (a), after the words “as set out in the Budget Statement” there be inserted the words –

“except that all income tax exemptions for the year of assessment 2007 shall be increased by 3.6%, being the Retail Prices Index in September 2006, instead of the 2.5% increase proposed by the Minister in the Budget Statement”.

Members present voted as follows –

POUR: 5

Deputy A. Breckon (S)
Deputy C.J. Scott Warren (S)
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy S. Pitman (H)

CONTRE: 38

Senator F.H. Walker
Senator T.A. Le Sueur
Senator P.F. Routier
Senator M.E. Vibert
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Connétable of St. Ouen
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of Trinity
Connétable of St. Lawrence
Connétable of Grouville
Connétable of St. John
Connétable of St. Martin
Deputy R.C. Duhamel (S)
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy R.G. Le Hérisier (S)
Deputy S.C. Ferguson (B)
Deputy of St. Ouen
Deputy P.J.D. Ryan (H)
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy G.W.J. de Faye (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.H. Maclean (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy I.J. Gorst (C)
Deputy of St. Mary

ABSTAIN: 0

THE STATES, adopting a proposition of the Minister for Treasury and Resources, –

- (a) approved the estimate of total taxation revenue in 2007 of £479,200,000 as set out in summary table A on page 35 of the Budget Statement, with the sum to be raised through existing taxation measures and the proposed changes to income tax, impôts duty and stamp duty for 2007 as set out in the Budget Statement;
- (b) agreed that £10,000,000 should be transferred from the Consolidated Fund to the Strategic Reserve in 2007.

Members present voted as follows –

POUR: 48

CONTRE: 2

ABSTAIN: 0

Senator L. Norman
Senator F.H. Walker
Senator W. Kinnard
Senator T.A. Le Sueur
Senator P.F. Routier
Senator M.E. Vibert
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Connétable of St. Ouen
Connétable of St. Saviour
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of St. Helier
Connétable of Trinity
Connétable of St. Lawrence
Connétable of Grouville
Connétable of St. John
Connétable of St. Brelade
Connétable of St. Martin
Deputy R.C. Duhamel (S)
Deputy A. Breckon (S)
Deputy J.J. Huet (H)
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy R.G. Le Hérisier (S)
Deputy J.B. Fox (H)
Deputy S.C. Ferguson (B)
Deputy of St. Ouen
Deputy P.J.D. Ryan (H)
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy G.W.J. de Faye (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.H. Maclean (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy I.J. Gorst (C)
Deputy of St. Mary

Deputy J.A. Martin (H)
Deputy G.P. Southern (H)

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Finance (Jersey) Law 200-

THE STATES, in pursuance of Article 19 of the Public Finances (Jersey) Law 2005, declared that the Bill entitled the Finance (Jersey) Law 200-, (P.131/2006 lodged "au Greffe" on 24th October 2006, by the Minister for Treasury and Resources) should immediately have effect as if it were a Law sanctioned by Her Majesty in Council.

Draft Income Tax (Amendment No. 26) (Jersey) Law 200 P.132/2006

THE STATES commenced consideration of the draft Income Tax (Amendment No. 26) (Jersey) Law 200 and adopted the principles.

Members present voted as follows –

POUR: 30

Senator F.H. Walker
Senator W. Kinnard
Senator T.A. Le Sueur
Senator P.F. Routier
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator J.L. Perchard
Connétable of St. Ouen
Connétable of St. Saviour
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of St. Lawrence
Connétable of St. Brelade
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy G.P. Southern (H)
Deputy S.C. Ferguson (B)
Deputy P.J.D. Ryan (H)
Deputy of Grouville
Deputy J.A. Hilton (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)
Deputy of St. Mary

CONTRE: 3

Deputy R.C. Duhamel (S)
Deputy A. Breckon (S)
Deputy P.V.F. Le Claire (H)

ABSTAIN: 0

Article 1 was adopted.

Articles 2 to 37 were adopted.

Members present voted as follows –

POUR: 34

CONTRE: 3

ABSTAIN: 0

Senator F.H. Walker
Senator W. Kinnard
Senator T.A. Le Sueur
Senator P.F. Routier
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator J.L. Perchard
Connétable of St. Ouen
Connétable of St. Saviour
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of Trinity
Connétable of St. Lawrence
Connétable of St. Brelade
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy J.B. Fox (H)
Deputy G.P. Southern (H)
Deputy S.C. Ferguson (B)
Deputy of St. Ouen
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.H. Maclean (H)
Deputy K.C. Lewis (S)
Deputy of St. Mary

Deputy R.C. Duhamel (S)
Deputy A. Breckon (S)
Deputy S. Pitman (H)

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Income Tax (Amendment No. 26) (Jersey) Law 2006.

THE STATES, in pursuance of Article 19 of the Public Finances (Jersey) Law 2005, declared that the Bill entitled the Income Tax (Amendment No. 26) (Jersey) Law 2006, (P.132/2006 lodged "au Greffe" on 24th October 2006, by the Minister for Treasury and Resources) should immediately have effect as if it were a Law sanctioned by Her Majesty in Council.

Stabilisation Fund rescindment – P.154/2006

THE STATES rejected a proposition of Deputy Geoffrey Peter Southern of St. Helier requesting them to refer to their Act dated 20th April 2005 in which they approved the Economic Growth Plan and agreed, *inter alia*, that proposals for a counter-cyclical Stabilisation Fund should be brought forward, and to their Act dated 27th June 2006 in which they approved, in principle, the States Strategic Plan and agreed, *inter alia*, the establishment of a Stabilisation Fund and the need for a new policy for the Strategic Reserve; and to agree –

- (a) that their decisions that a Stabilisation Fund should be established should be rescinded; and

- (b) that the Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, should be a permanent reserve, where the capital value is only to be used in exceptional circumstances to insulate the Island's economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster and with the interest to be available, on the recommendation of the Minister for Treasury and Resources, both for strategic spending and to make fiscal policy more countercyclical and create in the Island a more stable economic environment with low inflation.

Members present voted as follows –

POUR: 5

Deputy A. Breckon (S)
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy of St. Ouen
Deputy S. Pitman (H)

CONTRE: 40

Senator L. Norman
Senator F.H. Walker
Senator W. Kinnard
Senator T.A. Le Sueur
Senator P.F. Routier
Senator M.E. Vibert
Senator P.F.C. Ozouf
Senator J.L. Perchard
Connétable of St. Saviour
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of St. Helier
Connétable of St. Lawrence
Connétable of Grouville
Connétable of St. John
Connétable of St. Brelade
Connétable of St. Martin
Deputy R.C. Duhamel (S)
Deputy J.J. Huet (H)
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy R.G. Le Hérisssier (S)
Deputy J.B. Fox (H)
Deputy S.C. Ferguson (B)
Deputy P.J.D. Ryan (H)
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy G.W.J. de Faye (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.H. Maclean (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy I.J. Gorst (C)
Deputy of St. Mary

ABSTAIN: 0

THE STATES, adopting a proposition of the Minister for Treasury and Resources, referred to their Act dated 20th April 2005 in which they approved the Economic Growth Plan and agreed, *inter alia*, that proposals for a counter-cyclical Stabilisation Fund should be brought forward, and to their Act dated 27th June 2006 in which they approved, in principle, the States Strategic Plan and agreed, *inter alia*, the establishment of a Stabilisation Fund and the need for a new policy for the Strategic Reserve; and

1. agreed, in accordance with Article 3(3) of the Public Finances (Jersey) Law 2005, that a special fund, to be known as the Stabilisation Fund, be established, with –
 - (a) the purpose of the Fund being to make fiscal policy more countercyclical and create in the Island a more stable economic environment with low inflation;
 - (b) the Minister for Treasury and Resources to be responsible for proposing to the States the transfers between the Consolidated Fund and the Stabilisation Fund having regard to the advice of a new independent Fiscal Policy Panel appointed by the States on the recommendation of the Minister and following advice from the States Economic Adviser; and
 - (c) the fund to be set up with the transfer of the £32 million surplus funds currently available from the Dwelling House Loans Fund.
2. agreed that the Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, should be a permanent reserve, where the capital value is only to be used in exceptional circumstances to insulate the Island's economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.

Members present voted as follows –

POUR: 40

CONTRE: 4

ABSTAIN: 0

Senator L. Norman
Senator F.H. Walker
Senator W. Kinnard
Senator T.A. Le Sueur
Senator P.F. Routier
Senator M.E. Vibert
Senator P.F.C. Ozouf
Senator J.L. Perchard
Connétable of St. Saviour
Connétable of St. Mary
Connétable of St. Peter
Connétable of St. Clement
Connétable of St. Helier
Connétable of St. Lawrence
Connétable of Grouville
Connétable of St. John
Connétable of St. Brelade
Connétable of St. Martin
Deputy R.C. Duhamel (S)
Deputy A. Breckon (S)
Deputy J.J. Huet (H)
Deputy of St. Martin
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy R.G. Le Hérissier (S)
Deputy J.B. Fox (H)

Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy of St. Ouen
Deputy S. Pitman (H)

Deputy S.C. Ferguson (B)
Deputy P.J.D. Ryan (H)
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy G.W.J. de Faye (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy D.W. Mezbourian
(L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.H. Maclean (H)
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy of St. Mary

Adjournment

THE STATES adjourned, and agreed to reconvene on Wednesday 6th December 2006 to consider the outstanding items of public business.

THE STATES rose at 5.55 p.m.

M.N. DE LA HAYE

Greffier of the States