



THE STATES assembled on Tuesday,
20th November, 1984 at 10.15 a.m.
under the Presidency of the Deputy
Bailiff, Peter Leslie Crill, Esquire,
C.B.E.

All members were present with the exception of –

Senator Richard Joseph Shenton – out of the Island.

Senator John Philip de Carteret – absent.

Sir Martin Le Quesne, Deputy of St. Saviour – out of the
Island.

Prayers.

Retirement of Mr. L.A. Wilde, Magistrate.

The President of the Assembly, referring to the retirement of the Magistrate, Mr. L.A. Wilde, thanked him for his services to the Island since his first appointment in October 1969 and wished him a long and happy retirement.

Subordinate legislation tabled.

The following enactment was laid before the States, namely –

Depositors and Investors (Prevention of Fraud) (List
of Registered Persons) (Amendment No. 3) (Jersey)
Order, 1984. R & O 7341.

Establishment Committee Policy Report. R.C.25.

The Establishment Committee, by Act dated 7th November, 1984, presented to the States a policy report.

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

Statistical Digest.

The Finance and Economics Committee, by Act dated 14th November, 1984 presented to the States the Statistical Digest.

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

Matters noted – land transactions.

THE STATES noted an Act of the Finance and Economics Committee dated 14th November, 1984, showing that in pursuance of Standing Orders relating to certain transactions in land, the Committee had approved –

- (a) as recommended by the Resources Recovery Board, the acceptance by the public of the Island of the cession, free of charge, by Jersey Coal Distributors Limited of the right of way over a 12 foot width of road owned by the company in Bellozanne Valley and the right of the Board to place, replace, repair and maintain all necessary services therein, the company agreeing to the retention of windows in an existing building overlooking its property, and the Board paying all legal costs involved, re-establishing and tarmacking the roadway in question within six months of the date of passing of contract and thereafter meeting 75 per cent of the cost of maintaining the said roadway;
- (b) as recommended by the Resources Recovery Board, the Public being party to a deed of transaction with Mr. Charles Jack Jacques and Mrs. Elizabeth Marie Jacques, née Brogan, his wife, relating to No. 14, Grouville Park, Grouville, to agree that the buildings affected by a building restriction might remain or be altered as approved by the Island Development Committee;

- (c) as recommended by the Housing Committee, with the support of the Island Development Committee, the purchase from Mrs. Elvina Georgina Napper, née Stopher, of the site of No. 5, Hamon Place, St. Helier, measuring approximately 900 square feet, shown coloured red on Plan No. HC/1/84 for a consideration of £3,600 with each party being responsible for the payment of its own legal costs.

(The Committee rescinded its Act No. 3(c) of 30th May, 1984, which was notified to the States on 5th June, 1984);

- (d) as recommended by the Housing Committee, with the support of the Island Development Committee, the purchase from Wilkinsons Limited of No. 37 Columbus Street, St. Helier, in order to amalgamate the site so that the area might be developed with residential accommodation, for a consideration of £165,000, with the Committee being responsible for the payment of all legal fees.

Matters noted – financial transactions.

THE STATES noted an Act of the Finance and Economics Committee dated 14th November, 1984, showing that in pursuance of Rule 5 of the Public Finances (General) (Jersey) Rules, 1967, as amended, the Committee had noted that the Resources Recovery Board had accepted the lowest of six tenders, namely that submitted by E. Flaherty and Company Limited in the sum of £43,334.40 for the extension of the main sewer to Augrès, Trinity to include Oaklands Lodge Hotel.

Matters lodged.

The following subjects were lodged “au Greffe” –

1. **Draft Establishments for Massage or Special Treatment (Licensing Fees) (No. 3) (Jersey) Regulations, 198 . P.156/84.**
Presented by the Public Health Committee.

2. **Ouaisné: exception to Green Zone policy. P.157/84.**
Presented by the Island Development Committee.
3. **Draft Harbours (Amendment No. 15) (Jersey) Regulations, 198 . P.158/84.**
Presented by the Harbours and Airport Committee.

THE STATES to take the abovementioned subjects into consideration on 11th December, 1984.

4. **Company and Bankruptcy Legislation. P.159/84.**
Presented by Senator Jane Patricia Sandeman.

Public Works Committee – Public Buildings: supplementary vote of credit. P.140/84.

THE STATES acceded to the request of Senator John Clark Averty that the Proposition regarding a Public Works Committee request for a supplementary vote of credit for public buildings (lodged on 25th September, 1984) be considered on 11th December, 1984.

Establishment Committee – States Personnel Department: supplementary vote of credit. P.142/84.

THE STATES acceded to the request of the President of the Establishment Committee that the Proposition regarding a supplementary vote of credit for the States Personnel Department (lodged on 25th September, 1984) be considered on 11th December, 1984.

Exchange Control. Questions and answers.

Deputy Robin Ernest Richard Rumboll of St. Helier asked Senator Ralph Vibert, President of the Finance and Economics Committee, the following questions –

“Will the President inform the House if his Committee has any proposals similar to those referred to by the Guernsey States Advisory and Finance Committee in

their 1984 Economic Report which is due to be debated by the States of Guernsey on 28th November, 1984, which states that the Guernsey Committee intend bringing proposals to their States, whereby, the United Kingdom will be requested to repeal the extension of the United Kingdom Exchange Control Act 1947 as it applies to Guernsey. Will the President also inform the House what consultations, if any, have taken place between his Committee and the Advisory and Finance Committee of Guernsey on this subject?"

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

- “1. As members will be aware, the present position is that the United Kingdom Exchange Control Act, 1947 is extended to both Islands and the Isle of Man by Order in Council. When in October 1979 H.M. Government removed the exchange controls then in force, and embracing the Islands, the 1947 Act was put in suspension, not repealed. If H.M. Government should decide in the future to re-introduce exchange controls those controls would again apply to the Islands.
2. Conseiller Roydon Falla, President of the States of Guernsey Advisory and Finance Committee has kindly sent me a copy of its Economic Report for 1984, expressing inter alia its intention to bring proposals to the States of Guernsey whereby the United Kingdom would be requested to repeal the extension of the U.K. Exchange Control Act, 1947 to the Bailiwick; its provisions would then be replaced by a Guernsey Exchange Control Law which could, if circumstances in the future so required, be operated by the States of Guernsey either in parallel with any controls operated by the United Kingdom, or independently.
3. The present proposals of the Advisory and Finance Committee were formally and fully discussed at a meeting of the two Committees held in Jersey in April 1982 and in March of this year, and have been informally discussed at other times before and since.

No indication that Guernsey intended to proceed further with the matter was received until the recent receipt of the report. There is of course no obligation on either Island to wait for the other in matters of this kind.

4. The alternatives described in the Guernsey report as a Guernsey Exchange Control Law in replacement of the U.K. Act being 'either in parallel with any controls operated by the United Kingdom, or independently' require explanation if they are to be understood. Legislation 'in parallel' means that a Guernsey Law would be enacted with the identical purpose of the United Kingdom Act, namely to protect sterling (the function of the Bank of England), and operated in precisely the same way, without variation either in principle or in respect of each application. The advantages of the latter course have been stated as speedier administration, greater confidentiality of disclosure and information, and the psychological effect of constitutional separateness. The Jersey viewpoint has been that for so long as one remained in the sterling area such parallel legislation would be merely cosmetic, another States department would have to be set up, and there would be difficulties in persuading customers it was a separate administration when the Island had no discretion to alter the rules. Moreover there would be a continuous necessity for the Committee to table in this House Orders to take immediate effect, because the Bank of England so required, and about which this House could act only as a rubberstamp, which is not a favourite function.
5. The 'independent' alternative has, as it has seemed to us, implied a readiness to move outside the sterling area. My predecessor, the late Senator Cyril Le Marquand, made it clear in public statements as long ago as 1976 that he considered that it was not in the Island's best interests to be outside the sterling area. In 1981, the Finance and Economics Committee asked representatives of the banking community whether they would wish to see the Island remain in the sterling area should the United Kingdom Government re-introduce exchange

controls. The consensus view was that, while it was felt desirable for the Island to have the ability to decide for itself whether exchange controls should be applied, considerable difficulties would be experienced if the Island was outside the sterling area and subject to restrictions on the free flow of funds between the Island and the United Kingdom. My Committee for its part also recognises that if the Island was to be a separate currency unit the position of the tourism, agriculture and manufacturing industries could well be adversely affected if parity with the pound sterling could not be maintained and if those residents of the United Kingdom wishing to visit the Island or trade with the Island were faced with currency restrictions.

6. We have hitherto considered that, other than in the most exceptional circumstances, the Island would wish to remain in monetary union with the United Kingdom – with 80 per cent of the Island's imports and 80 per cent of visitors coming from the United Kingdom and with almost all agricultural exports going to the United Kingdom, separation into two currency units offers the prospect of considerable difficulties for the Island.
7. The Committee moreover is conscious that during the period up till October 1979, a period when exchange controls were in force, the Island's international finance centre role expanded steadily and to a point where – as remains the case today – the Island could not accommodate all the business available to it. There is no certainty that the re-introduction of exchange controls, should this occur (and there is certainly no prospect of this), would be of such disadvantage to the Island to justify a position being sought outside the sterling area.
8. For these reasons my Committee has not hitherto been in favour either of 'parallel' or 'independent' legislation.

9. I have thought it desirable that members, and the Island, should understand the issues and our views to this date. This is not however to say that the new Finance and Economics Committee shortly to be formed may have other views, and that circumstances may change. Indeed actions taken by Guernsey may themselves affect the situation.
10. I have therefore written to the President of the States of Guernsey Advisory and Finance Committee thanking him for the Economic Report, and expressing my confidence that my successor and the new Committee will be anxious to meet him as soon as they have had the opportunity of considering these important questions.”

Cider Duty – Statement.

The President of the Finance and Economics Committee made a statement in the following terms –

- “1. At the Meeting of the States held on 21st August, 1984, there was considered a draft Law proposed by the Finance and Economics Committee to the effect that a duty should be imposed on cider. This was referred back to the Committee on the Proposition of Senator R.J. Shenton in order that further information be obtained, following questions raised by the Connétable of St. Helier.
2. Senator Shenton was later asked what particular information was required, and he replied as follows –

‘The information I would like to have on a future Proposition would be the amount of impôt which would be raised by the imposition of this tax, and whether or not your Committee feels entitled at times to exercise your authority with regard to EEC dictates.

May I introduce one other point which I feel should be brought to your attention which is the fact that it appears that snuff (may I say I am not a user) has an impôt duty imposed upon it in the Islands which is not the case in the U.K.

Perhaps you would be good enough to explain why this is thought necessary and if it is in your Committee's intention to harmonise arrangements bearing in mind that this information has been brought to your attention. For my part, I see no reason why the tax should be lifted, but of course your policy is obviously one of acceptance to the harmonising process, and I would be grateful to have your views on this matter.'

The question of Senator Shenton as to the amount that would be raised by the imposition of the proposed duty on cider had, in fact, been given during the debate, namely an annual sum of approximately £100,000.

It is correct that there is a duty on snuff, which is not the case in the United Kingdom. The duty is charged in Jersey because snuff is classed as tobacco, being in fact, tobacco dust, and there is no logical reason why a duty on tobacco should not apply all forms of tobacco. The same principle applies in Guernsey.

With regard to the United Kingdom, the duty on snuff ceased at the end of 1977 because of the very low duty yield, the disproportionate cost of collection and because it was deemed to be less harmful to health than smoking tobacco; the duty on chewing tobacco was, however, retained.

3. Consultation with the Connétable of St. Helier revealed that his main objection had been based on his impression that the imposition of a duty on cider was in order to comply with a recent ruling of the European Court of Justice. The Committee acknowledges that this impression could have been given from the report, although, in fact, it was not the reason motivating the Committee. The report

indicated that the position in Jersey had been 'highlighted' by that case, but the reason for the proposal was, and remains, the anomaly itself. It appears to the Committee that it would be illogical and unfair that duty should be imposed on all types of alcohol except one, and maintains its proposal that, as the general principle is that a duty is imposed on alcohol, the anomalous exception should be removed.

4. The Connétable also raised, in the course of consultation, other queries affecting impôt duties, but not related to the present issue, and the Committee will be glad to consider any representation the Connétable might wish to make following the information given in the course of those consultations.
5. As it will be necessary in connexion with the Budget to pass legislation relating to impôts duties for 1985, and we are now so near to the date of the Budget, it appears to the Committee desirable that this matter should be dealt with at the same time.

The annual Finance Bill which will be presented at the time of the Budget will therefore contain the rates of duty."

Homicide (Jersey) Law, 1984.

THE STATES commenced consideration of the draft Homicide (Jersey) Law, 1984 and adopted the Preamble.

Members present voted as follows –

“Pour” (40)

Senators

Vibert, Le Marquand, Jeune, Averty, Binnington, Sandeman, Horsfall, Ellis.

Connétables

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

Deputies

Mourant(H), St. Ouen, Morel(S), Le Maistre(H),
Quenault(B), Perkins(C), Le Gallais(S), Roche(S),
Le Brocq(H), Trinity, St. Martin, Vandervliet(L),
St. Peter, Farley(H), Le Fondré(L), Rumboll(H),
Buesnel(H), Grouville, St. Mary, Wavell(H),
St. John.

“Contre” (9)**Senators**

Baal, Rothwell.

Deputies

Filleul(H), Le Main(H), Beadle(B), Thorne(B),
Blampied(H), Billot(S), Norman(C).

Article 1 was adopted.

Article 2 was withdrawn.

Articles 3, 4, 5 and 6 were renumbered Articles 2, 3,
4 and 5 and were adopted.

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Homicide (Jersey) Law, 1984.

Social Security (Reciprocal Agreement with the United States of America) (Jersey) Act, 1984.

THE STATES approved the Social Security (Reciprocal Agreement with the United States of America) (Jersey) Act, 1984.

Adjournment.

THE STATES, in pursuance of Article 3 of the States of Jersey Law, 1966, adjourned and reassembled under the Presidency of the Greffier of the States, Edward James MacGregor Potter, Esquire.

Jersey Heritage Trust: development of Museums and Arts Services.

THE STATES, adopting a Proposition of the Public Works Committee –

- (i) noted the proposed development of the Island's museum and arts services as outlined in the report dated 18th October, 1984, of the Public Works Committee; and
- (ii) approved the development of La Longue Caserne, and the expenditure involved.

THE STATES rose at 4.10 p.m.

E.J.M. POTTER,

Greffier of the States.