

Price : #1.00

THE STATES assembled on Tuesday,  
4th December, 1990 at 10.00 a.m. under  
the Presidency of the Bailiff,  
Sir Peter Crill, C.B.E.

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His Excellency the Lieutenant Governor,  
Air Marshal Sir John Sutton, K.C.B.,  
was present.

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All Members were present with the exception  
of -

Percy John Le Masurier, Deputy of St.  
Ouen - out of the Island.

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Prayers

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Deputy H.L. Dubras of St. Martin -  
welcome

The Bailiff, on behalf of the  
States, welcomed Deputy Henri Leon Dubras  
of St. Martin on his return to the States  
after his recent illness.

Subordinate legislation tabled

The following enactments were laid  
before the States, namely -

1. Post Office (General Provisions)  
(Amendment No. 31) (Jersey) Order  
1990. R & O 8134
2. Health Insurance (Pharmaceutical  
Benefit List) (Amendment No. 7)  
(Jersey) Order 1990. R & O 8135
3. Health Insurance (Pharmaceutical

Benefit) (General Provisions)  
(Amendment No. 34) (Jersey) Order  
1990. R & O 8136

4. Road Traffic (Public Parking  
Places (Amendment No. 18) (Jersey)  
Order 1990. R & O 8137
5. Road Traffic (St. Lawrence)  
(Amendment) (Jersey) Order 1990.  
R & O 8138
6. Road Traffic (St. Saviour)  
(Amendment No. 9) (Jersey) Order  
1990. R & O 8139
7. Road Traffic (St. Brelade)  
(Jersey) Order 1990. R & O 8140
8. Fire Service (General Provisions)  
(Amendment No. 14) (Jersey) Order  
1990. R & O 8141

Contingencies vote of credit: Public  
Services Committee

THE STATES noted that an Act of the  
Finance and Economics Committee dated 26th  
November 1990, informing the States that it  
had made available to the Public Services  
Committee the sum of #150,000 from the  
contingencies vote of credit for the  
purchase of a prefabricated building as  
temporary accommodation for the Immigration  
Department.

Matters noted - land transactions

THE STATES noted an Act of the  
Finance and Economics Committee dated 26th  
November 1990, showing that in pursuance of  
Standing Orders relating to certain  
transactions in land, the Committee had  
approved -

- (a) as recommended by the  
Housing Committee, the lease to  
Jersey Women's Refuge of No. 6,  
Plaisance Terrace, La Route du  
Fort, St. Saviour, for a period of  
five years from 3rd October 1990,  
at an annual rent of #1, with the  
total sum of #5 being paid in one  
sum in advance;

(b) as recommended by the Housing Committee, the purchase from Mr. Henry Francis Pezet of the fonds of the private road at Field 1311, Mont au Prêtre, St. Helier, for a consideration of #58,000, with the Committee being responsible for the payment of all legal fees;

(c) as recommended by the Public Health Committee, the assignment of the lease from A.C. Mauger Limited of the two-bedroomed property, La Cachette, Route de Catillon, Grouville, owned by Mrs. Anne Dorothy Taylor, nee Brooksbank, for the period from 26th November 1990 until 21st December 1991, at an annual rent of #8,000, required for occupation by essential employees;

(d) as recommended by the Public Services Committee, the purchase from Mr. William John Morvan of 950 square feet of land forming part of the site of the Norfolk Lodge Hotel at the junction of Queen's Road and Rouge Bouillon, St. Helier, required for road improvement purposes, for a consideration of #23,000, with the Committee being responsible for accommodation works and the payment of all legal fees, subject to the work being completed by 15th March, 1991.

Matters lodged

The following subject was lodged  
``au Greffe" -

Draft Amendment (No. 13) of the Standing Orders of the States of Jersey (P.176/90): amendment. P.190/90  
Deputy R.E.R. Rumboll of St. Helier.

The following subjects were lodged  
``au Greffe" on 27th November 1990 -

1. Committee Presidents: election procedure. P.187/90  
Presented by the House  
Committee
2. Draft Road Traffic (No. 38)  
(Jersey) Regulations 199 .  
P.188/90  
Presented by the Defence  
Committee
3. Draft Milk (Sale to Special  
Classes) (Amendment) (Jersey)  
Regulations 199 . P.189/90  
Presented by the Social  
Security Committee

Draft Amendment (No. 13) of the  
Standing Orders of the States of Jersey.  
P.176/90. Deferred.

THE STATES agreed to defer  
consideration of the draft Amendment  
(No. 13) of the Standing Orders of the  
States of Jersey (lodged on 6th November  
1990) from the present Sitting to a later  
date as Deputy Robin Ernest Richard Rumboll  
of St. Helier had lodged an amendment  
(P.190/90).

Draft Terms of Employment (Jersey)  
Law 199 . P.116/90. Deferred

THE STATES acceded to the request of  
the President of the Industrial Relations  
Committee that consideration of the draft  
Terms of Employment (Jersey) Law 199  
(lodged on 7th August 1990) be deferred  
from 11th December 1990 to a later date.

Queen's Road/Rouge Bouillon  
roundabout: purchase of land. P.165/90.  
Withdrawn

THE STATES noted that the President  
of the Public Services Committee had  
withdrawn the proposition relating to the  
purchase of land in connexion with the  
Queen's Road/Rouge Bouillon roundabout  
(lodged on 23rd October 1990).

Arrangement of Public Business for  
the present Sitting

THE STATES confirmed that the following further subjects lodged au Greffe should be considered at the present Sitting -

Draft Amendment (No. 12) to the Tariff of Harbour and Light Dues. P.179/90  
Lodged: 20th November 1990.  
Harbours and Airport Committee

Draft Boats and Surf-Riding (Control) (Amendment No. 7) (Jersey) Regulations 199 . P.180/90  
Lodged: 20th November 1990.  
Harbours and Airport Committee

Draft Harbours (Amendment No. 19) (Jersey) Regulations 199 . P.181/90  
Lodged: 20th November 1990.  
Harbours and Airport Committee

Draft Health Insurance (Medical Benefit) (Amendment No. 37) (Jersey) Regulations 199 . P.182/90  
Lodged: 20th November 1990.  
Social Security Committee

Draft Family Allowances (Amendment No. 4) (Jersey) Law 199 . P.185/90  
Lodged: 20th November 1990.  
Social Security Committee

Arrangement of Public Business for next Sitting on 11th December 1990

THE STATES confirmed that the following further subjects lodged au Greffe should be considered at the next Sitting on 11th December 1990 -

Committee Presidents: election procedure. P.187/90  
Lodged: 27th November 1990.  
House Committee

Draft Road Traffic (No. 38) (Jersey) Regulations 199 . P.188/90  
Lodged: 27th November 1990  
Defence Committee

Draft Milk (Sale to  
Special Classes) (Amendment) (Jersey)  
Regulations 199 . P.189/90  
Lodged: 27th November 1990  
Social Security  
Committee

Shephard Hill and Company Limited -  
Queen's Valley reservoir. Statement

Senator John William Ellis, States  
Director and Deputy Chairman of the Jersey  
New Waterworks Company Limited made a  
statement in the following terms -

``On Monday, 26th November the Jersey  
New Waterworks Company was informed  
that Barclays Bank Plc., in England  
had appointed an administrative  
receiver of Shephard Hill and Company  
Limited, on that day. Press reports  
suggest that the financial  
difficulties of Shephard Hill were  
triggered by the insolvency of a  
Swedish Bank.

The directors immediately put in hand  
two plans of action which were pursued  
hour by hour with the utmost urgency.

Firstly the Company sought a meeting  
with the receiver. The Company's  
preferred option was that Shephard  
Hill would complete the contract that  
it had concluded with the Company.

Secondly the Company sought  
other contractors who would continue  
the work in the event of the receiver  
abandoning the contract.

The Chairman, the managing director  
and I together with other directors  
and our professional advisers met the  
receiver at 3.15 p.m. on Thursday,  
29th November and he informed us that  
Shephard Hill had served redundancy  
notices on the employees and that they  
would not continue the contract. As  
required by the contract the Company  
gave immediate notice to Shephard Hill  
that they would after seven days enter

upon the site and expel Shephard Hill.

The Company immediately put into effect its contingency plan. Two senior executives of M.J. Gleeson Group Plc., flew to Jersey during the evening of Thursday, 29th November to implement the contingency plan previously agreed at a meeting which I had attended with other directors and our professional advisers.

Apart from Shephard Hill, M.J. Gleeson had submitted the lowest tender for the original contract and have therefore detailed knowledge of the work. They are a large firm of civil engineering contractors and the company and its advisers are confident that they can complete the work on the reservoir. The work will be carried out on a cost plus basis until 31st December and a new contract will be negotiated during December with M.J. Gleeson.

The results of these arrangements will be that the momentum will not be lost and any delay should be limited. In accordance with normal practice the Company has taken out a performance bond for #1.245 million being 10 per cent of the contract price. The Company hopes and believes that this bond, and the value of the work in progress, will contain, or substantially contain, the additional costs that will inevitably be incurred.

Much was achieved last week.

Unfortunately I have another development to report. On Saturday, 1st December a small number of principal suppliers who are creditors of Shephard Hill informed the Company that one or possibly more of them would not supply Gleesons unless Jersey Waterworks paid the amounts due to them by Shephard Hill. The Company hopes that this attitude is limited to one or two or a very small number of the principal creditors.

The creditors of Shephard Hill are

not entitled to be paid anything by Jersey Waterworks in law or in equity. They have a claim against the receiver. If the directors made these payments they would have to pay all the creditors and they would be in breach of their fiduciary responsibilities. These substantial additional costs would have to be provided by the water consumers and this also is an arrangement which cannot be contemplated.

The Company deplures this initiative of a small number of creditors of Shephard Hill who are able to put in jeopardy the difficult and delicate negotiations so successfully concluded by the Company. The continuing employment of some 150 men is at risk as is the continuing development of the project. We hope when the Boards of the companies concerned have considered the issue wiser counsel will prevail.

The Company continues to be active hour by hour in dealing with the matters that this statement brings to your notice.

## BUDGET 1991

THE STATES commenced the consideration of the Budget for the financial year commencing 1st January 1991, which in accordance with Article 16 of the Public Finances (Administration) (Jersey) Law 1967, as amended, had been presented to the Assembly on 13th November 1990, by the Finance and Economics Committee and comprised -

- (i) the estimate of the revenue expenditure and of the income of the committees of the States;
- (ii) the estimate of the transactions of the capital fund; and
- (iii) the Report of the Finance and Economics Committee thereon.

THE STATES, having considered the estimates

of the revenue expenditure and of the income of the various committees, decided to allow the said estimates as detailed in the undermentioned pages of the Budget as follows -

Policy and Resources Committee - Pages 2 and 3.

Finance and Economics Committee - Pages 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11.

Defence Committee - Pages 12, 13, 14 and 15.

Public Services Committee - Pages 16, 17, 18, 19, 20 and 21.

Education Committee - Pages 22, 23, 24, 25, 26, 27, 28, 29, 30, and 31.

Public Health Committee - Pages 32, 33, 34 and 35.

Agriculture and Fisheries Committee - Pages 36 and 37.

Tourism Committee - Pages 38 and 39.

Social Security Committee - Pages 40 and 41.

Island Development Committee - Pages 40 and 41.

Housing Committee - Pages 42 and 43.

Establishment Committee - Pages 44 and 45.

Prison Board - Pages 46 and 47.

Fort Regent Development Committee - Pages 46 and 47.

Etat Civil Committee - Pages 48 and 49.

Cottage Homes Committee - Pages 48 and 49.

Gambling Control Committee - Pages 48 and 49.

Legislation Committee - Pages 50 and 51.

Overseas Aid Committee - Pages 50 and 51.

Broadcasting Committee - Pages 50 and 51.

Industrial Relations Committee - Pages 50 and 51.

Occupation and Liberation Committee - Pages 52 and 53.

House Committee - Pages 52 and 53.

Harbours and Airport Committee - La Collette Reclamation Scheme - Pages 52 and 53.

#### TRADING COMMITTEES

Harbours and Airport Committee - Pages 54 and 55.

Telecommunications Board - Page 56.

Committee for Postal Administration - Page 57.

THE STATES, referring to the summary of income and revenue expenditure appearing on page 65 agreed the total revenue expenditure in the sum of #291,480,200; the total income from committees in the sum of #154,263,900 and having allowed for a balance in hand at 31st December, 1990 of #7,602,600 agreed the amounts to be transferred to the strategic reserve, accumulated reserve and general reserve in the sums of #10,000,000, #2,000,000 and #28,650,000 respectively.

THE STATES noted that on the basis of levels of taxation proposed by the Finance and Economics Committee the surplus on the revenue account to be transferred to the capital fund amounted to #42,772,300.

Having allowed for a balance of #39,938,800 to be brought forward at 1st January, 1991, and taking into account the capital repayments of #13,600,000 the States noted that there would be available in the capital fund the sum of #96,311,100. The

States then proceeded to consider the estimates of capital expenditure recommended by the Finance and Economics Committee on pages 58, 59 and 60 of the Budget and -

#### NON-TRADING COMMITTEES

The estimate of the capital expenditure of the Finance and Economics Committee appearing on page 58 of the Budget was allowed.

The estimate of the capital expenditure of the Defence Committee appearing on page 58 of the Budget was allowed.

The estimate of the capital expenditure of the Public Services Committee appearing on page 58 of the Budget was allowed.

The estimate of the capital expenditure of the Education Committee appearing on page 58 of the Budget was allowed.

The estimate of the capital expenditure of the Public Health Committee appearing on page 59 of the Budget was allowed.

The estimate of the capital expenditure of the Island Development Committee appearing on page 59 of the Budget was allowed.

The estimate of the capital expenditure of the Housing Committee appearing on page 59 of the Budget was allowed.

The estimate of the capital expenditure of the Establishment Committee on page 59 was allowed.

The estimate of the capital expenditure of the Fort Regent Development Committee appearing on page 59 of the Budget was allowed.

#### TRADING COMMITTEES

The estimate of the capital expenditure of the Harbours and Airport Committee appearing on page 60 of the Budget was allowed.

The estimate of the capital expenditure of the Telecommunications Board appearing on page 60 of the Budget was allowed.

THE STATES having terminated the discussion on the capital estimates noted that the amount to be voted from the Capital Fund was #65,479,000.

THE STATES considered the estimates of income to be produced from taxation appearing on page 63 of the Budget and agreed the estimate as follows -

	#	#
Impôts on spirits	4,908,000	
Impôts on wines	2,717,000	
Impôts on tobacco	4,168,000	
Impôts on beer	1,829,000	
Impôts on motor fuel	1,627,000	
Goods imported into the Island	337,000	
	15,586,000	
Income tax	196,200,0	
00		
Motor tax	1,250,000	

THE STATES adopted in second reading a Bill to continue certain expiring fiscal Laws; to prescribe the standard rate of income tax for the year nineteen hundred and ninety-one; to amend further the law relating to income tax to increase personal allowances and reliefs, and with respect to contracts of private medical insurance, and approved annuity contracts; and to increase wines and spirits duty, beer duty and tobacco duty.

The said Bill was lodged `` au Greffe".

THE STATES, in pursuance of Article 25 of

the Public Finances (Administration) (Jersey) Law 1967, as amended, have declared that the Bill to continue expiring fiscal Laws; to prescribe the standard rate of income tax for the year nineteen hundred and ninety-one; to amend further the law relating to income tax to increase personal allowances and reliefs, and with respect to contracts of private medical insurance and approved annuity contracts; and to increase wines and spirits duty, beer duty, and tobacco duty (which Bill has this day been lodged ``au Greffe"), shall immediately have effect as if it were a law passed by the States and sanctioned by Her Majesty in Council.

THE STATES having terminated the discussion on the Budget agreed the summary of the estimated income and revenue expenditure for 1991 appearing on page 65 of the Budget as follows -

#### INCOME

	#	##
Committees		154,263,9
00		
Taxation		213,036,0
00		
		367,299,9
00		

#### DEDUCT

Revenue expenditure		291,480,2
00		
		75,819,70
0		

#### ADD

Estimated balance in hand at		
1st January 1991.		7,602,60
0		
		83,422,30
0		

#### APPROPRIATION TO RESERVES

Strategic reserve	10,000,000
Accumulated reserve	2,000,000
General reserve	35,750,000
less estimated balance in	
hand at 31st December 1990	7,100,000 28

,650,000 40,650,000

Balance to be transferred to capital fund  
#42,772,300

THE STATES further agreed the estimated transactions of the capital fund for 1991 as follows -

# #

Balance brought forward 39,938,800

Capital repayments 13,600,000

Estimated balance on revenue account 42,772,300  
(as above) 96,311,100

Capital expenditure 65,479,000

Estimated balance in hand at  
31st December 1991 #30,832,100

Act establishing a scheme to provide compensation for victims of crimes of violence. P.172/90

THE STATES, having rejected an amendment of Senator Dereck André Carter that paragraph 10(b) be deleted, adopted a proposition of the Defence Committee and approved an Act establishing a Scheme to provide compensation for victims of violence to replace the Scheme set out in the Act of the States dated the 12th day of May 1970.

Draft Census (Jersey) Regulations  
199 . P.174/90

THE STATES commenced consideration of the draft Census (Jersey) Regulations 199 (lodged on 6th November 1990). After discussion, Senator Reginald Robert Jeune proposed that the States move to the consideration of the next item on the Order Paper, which proposition was carried, more than twenty Members voting in support

thereof.

THE STATES agreed to give further consideration to the draft Regulations at the Sitting on 11th December 1990.

Fourth report: States Sittings and planning of public business. P.177/90

THE STATES, adopting a proposition of the House Committee, agreed -

- (a) that for the year 1991 and beginning on 15th January the States should sit, as far as is practicable, on alternate Tuesdays, save for the months of July, August and September when they should continue sitting monthly;
- (b) that sittings of the States should normally commence at 9.30 a.m.;
- (c) to suspend Standing Order No. 4(1) and 4(4) until further notice to give effect to the foregoing decision;
- (d) that the Greffier of the States should be requested, in conjunction with the Bailiff, Presidents and other Members concerned, to plan the Public Business of the States in an effective and efficient manner in order to provide for only sufficient items likely to produce a reasonably full day's work on each sitting.

Draft Amendment (No. 12) to the Tariff of Harbour and Light Dues. P.179/90

THE STATES, in pursuance of the Harbour and Light Dues (Jersey) Law 1947, as amended, approved the draft Amendment (No. 12) to the Tariff of Harbour and Light Dues.

Boats and Surf-Riding (Control) (Amendment No. 7) (Jersey) Regulations

1990. P.180/90

THE STATES, in exercise of the powers conferred on them by Article 4 of the Harbours (Administration) (Jersey) Law 1961, as amended, made Regulations entitled the Boats and Surf-Riding (Control) (Amendment No. 7) (Jersey) Regulations 1990.

Harbours (Amendment No. 19) (Jersey) Regulations 1990. P.181/90

THE STATES, in pursuance of Article 4 of the Harbours Administration (Jersey) Law 1961, as amended, made Regulations entitled the Harbours (Amendment No. 19) (Jersey) Regulations 1990.

Health Insurance (Medical Benefit) (Amendment No. 37) (Jersey) Regulations 1990. P.182/90

THE STATES, in pursuance of Article 18 and 46 of the Health Insurance (Jersey) Law 1967, as amended, made Regulations entitled the Health Insurance (Medical Benefit) (Amendment No. 37) (Jersey) Regulations 1990.

Family Allowances (Amendment No. 4) (Jersey) Law 1990. P.185/90

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Family Allowances (Amendment No. 4) (Jersey) Law 1990.

THE STATES rose at 5.32 p.m.

R.S. GRAY

Deputy Greffier of the States.