

STATES OF JERSEY



JERSEY COMPETITION REGULATORY AUTHORITY: PROPOSAL TO GRANT A POSTAL OPERATOR'S LICENCE

Lodged au Greffe on 12th April 2010
by Deputy G.P. Southern of St. Helier

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to request the Minister for Economic Development to request the Jersey Competition Regulatory Authority (JCRA) to extend the period of consultation over the granting of postal licences to Citipost and HubEurope so that members may be fully informed of the consequences of such action by the JCRA.

DEPUTY G.P. SOUTHERN OF ST. HELIER

REPORT

On Wednesday 31st March 2010 the Jersey Competition Regulatory Authority (JCRA) placed an advert in the JEP (*see Appendix*) of its proposal to grant a Postal Operator's licence to Citipost and HubEurope to convey large letters and packets, which includes CD and DVD fulfilment post. The closing date for comment is midnight 30th April 2010.

Jersey Post's managing director has accused the JCRA of "failing in its duty to properly assess the impact on the traditional postal business." Mr. Carr stated that the decision to open the whole of the bulk business mailings **market could result in substantial cuts to future services including a reduction of deliveries to every other day and the existing Post Office network being halved.**

Despite being assessed in 2006 by the JCRA as an efficient operator, and recently agreeing a 4-year modernisation deal with the Communication Workers' Union (CWU) which included the loss of 80 jobs, the Post Office see this as an "attack" on the only profitable part of the business leaving losses to be picked up by Jersey Post or the taxpayer.

The CWU agrees that the long-term viability of Jersey Post is seriously threatened by the introduction of competition to this market. They state that they "will not sit back and watch the decimation of this very valuable social service carved up and destroyed through the introduction of phoney competition designed for the benefit of a few at the expense of the many". They are calling for urgent talks with all stakeholders including States members.

It is my opinion that such a radical move cannot just be allowed to proceed in such a timescale without full consideration by the Assembly of the potential impact on the infrastructure of the island.

There are no manpower and financial implications to this proposition.

**PUBLIC ADVERTISEMENT OF AN
INITIAL NOTICE
CONCERNING A PROPOSAL TO ISSUE
A CLASS 1 LICENCE TO
CITIPOST DSA LTD**

The JCRA is publishing this advertisement in accordance with Article 24 of the Postal Services (Jersey) Law 2004 (the 'Law'). Its purpose is to advise the public that the JCRA has issued an Initial Notice to Citipost DSA Ltd ('Citipost'), of its proposal to issue a Class 1 Postal Operator's Licence to convey Large Letters and Packets, subject to a Minimum Volume Requirement.

Copies of the full text of the Initial Notice and the draft Licence is available for inspection at the offices of the JCRA located at 2nd Floor, Salisbury House, Union Street, St Helier, Jersey JE2 3RF. Copies also may be obtained from our website, www.jcra.je.

Any written representations or objections to the Initial Notice should be directed to the JCRA at the address provided above, or alternatively by email (p.hamilton@jcra.je) or by fax on (+44 (0)1534 514991). The deadline for comments is midnight on 30 April 2010. Any questions concerning this matter may be directed to the JCRA at +44 (0)1534 514990.

2nd Floor Salisbury House,
1-9 Union Street, St Helier,
Jersey JE2 3RF Tel: 514990
www.jcra.je



**PUBLIC ADVERTISEMENT OF AN
INITIAL NOTICE
CONCERNING A PROPOSAL TO ISSUE
A CLASS 1 LICENCE TO
HUB EUROPE LTD**

The JCRA is publishing this advertisement in accordance with Article 24 of the Postal Services (Jersey) Law 2004 (the 'Law'). Its purpose is to advise the public that the JCRA has issued an Initial Notice to Hub Europe Ltd ('Hub'), of its proposal to issue a Class 1 Postal Operator's Licence to convey Large Letters and Packets, subject to a Minimum Volume Requirement.

Copies of the full text of the Initial Notice and the draft Licence is available for inspection at the offices of the JCRA located at 2nd Floor, Salisbury House, Union Street, St Helier, Jersey JE2 3RF. Copies also may be obtained from our website, www.jcra.je.

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