

2.15 The Deputy of St. Ouen of the Minister for Treasury and Resources regarding pensioners monthly telephone rental:

Given that pensioners can currently benefit from very low monthly line rental and cheap local calls under Jersey Telecom's Prime Talk tariff, would the Minister undertake, as part of the sale process, to put in place measures to protect such a valuable service for pensioners after the sale, if approved by the States?

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

Irrespective of whether the company is sold or not, it is not my role, nor that of the Board of Jersey Telecom, to put in place measures to protect a section of the community. As set out in the sale proposals, it is the role of the Jersey Competition Regulatory Authority to ensure that all current and future demands of telecommunication services are met. Specifically, under the provisions of the telecommunications law, the J.C.R.A. must, when ensuring current and future demands are met by the telecom industry as a whole, have regard to the special needs of customers who have limited financial resources. It is in this way that pensioners and, indeed, any other person with limited financial resources can be protected.

2.15.1 The Deputy of St. Ouen:

My colleague and next door neighbour, the Deputy of Grouville, in December 2004 brought a proposition to the States regarding special carriage for senior citizens. In that proposition were a number of points but one was that there was a request that the Economic Development Committee at the time should consult with the J.C.R.A. on the general subject of cost subsidisation and come back to the States to enable the States as policy makers to consider the policy with regard to provision of subsidised telephony services in the Island. To my knowledge, I do not believe this has happened. Perhaps the Minister would care to elaborate on whether the States have considered this policy and if not, why not.

Senator T.A. Le Sueur:

That is a matter which needs to be discussed by the Economic Development Minister and the J.C.R.A., but as far as I am concerned that proposition, brought by the Deputy of Grouville, alleged to an outcome which was satisfactory to all parties and I think, on the basis of that, the pressure to produce that report has maybe lessened somewhat and, at the time, I think there were probably other things to be done but I cannot expand further on that for the Deputy's benefit, I am afraid.

The Deputy of St. Ouen:

I would like to remind the Minister that the comments that I read from were made by the Finance and Economics Committee of the day, which I believe he was President of.

Senator T.A. Le Sueur:

That is indeed the case, Sir. It was a request for the Economic Development Committee to consult with the J.C.R.A.

2.15.2 Deputy J.A. Martin:

It is interesting, Sir, that the Minister says that it is a job of the J.C.R.A. to protect the less well-off and to make sure they are not financially disadvantaged. Why is then the J.C.R.A, Sir, not looking into the Jersey Gas Company who only allow people who pay on debit direct to have a cheap unit of gas rate and the less advantaged, who get paid weekly and have a meter or monthly bills, have to pay a higher tariff. Why are the J.C.R.A. not intervening in this practice?

Senator T.A. Le Sueur:

I made it clear in my original answer that it was under the telecommunications law that the J.C.R.A. look after the needs of the consumer. The gas law may need review in due course but that is a separate issue.

2.15.3 Deputy G.P. Southern:

Is it not the case that when the pensioners' tariff was under threat recently it was the fact that the States of Jersey, through the Treasury and Resources Minister as the shareholder in Jersey Telecom, enabled a swift resolution to the issue? Does the Minister not feel that in future once J.T. is sold off these matters will be very much more difficult to resolve and that, in fact, this will end up in pensioners' rates, pensioners' tariffs being scrapped.

Senator T.A. Le Sueur:

The solution which we came up with in the case of the pensioners' tariffs some time ago was not necessarily the ideal long term solution. It was a pragmatic solution at the time. We have a law in place which has the appropriate mechanism and that is the route we should be using in the future.

2.15.4 Deputy G.P. Southern:

Is it not the case that were a company running J.T. in future to claim that such tariffs were completely uneconomic and that he wished to scrap them, that they could be allowed to do so?

Senator T.A. Le Sueur:

Yes, I said in my answer that it was the requirement of the J.C.R.A. to look after the needs of the telecoms industry as a whole and that no one operator should be necessarily prejudiced in relation to others in dealing with such requirements.

The Bailiff:

That brings us to the end of Questions.

Senator S. Syvret:

Is it possible for me to ask the 2 questions I had down? I apologise for being late but I was taking an important phone call from yet another victim.