

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY, 10th OCTOBER 2006

Question

Would the Minister –

- (a) detail in clear terms what issues are involved in the protection of pension rights for past, current and future employees of Jersey Telecom should the Company be sold wholly or partly into private ownership?
- (b) inform members what measures he is developing with others to address these issues and what progress he has made to date?

Answer

- (a) There are a number of issues that must be and will be fully addressed for each of the scenarios. The principal matters for consideration are legislative, tax, contractual, administrative and funding based.

Past and current employees are, at present, members of a ‘ring fenced’ pension scheme within the Public Employees Contributory Retirement Scheme (PECRS).

The two principal issues to be addressed relate to legislation (see below) and preserving the tax status of PECRS should members of the scheme be employed by non-public sector organisations.

Future employees will have the right to choose for themselves on what terms they accept employment, including pension matters.

- (b) Considerable work is in progress to produce the information needed for the States to make a decision on whether to sell Jersey Telecom Group Limited early in 2007. This includes good progress on resolving pension issues.

In particular, I would draw Members attention to P.118 of the Chief Minister, to be debated on 7th November, which seeks the States approval to amend the Public Employees (Retirement) (Jersey) Law 1967.

This amendment is required to give effect to a Regulation and an Admission Document that will provide the legal framework upon which the employees of Jersey Telecom could remain within the PECRS as an admitted body following a full or partial sale of Jersey Telecom Group Limited.