

## **2.4 Deputy G.P. Southern of St. Helier of the Minister for Treasury and Resources regarding policy for the sale of States investment in utility companies:**

What progress, if any, has the Minister made towards developing a policy, in consultation with the Council of Ministers, if applicable, for the full or partial sale of the States investments in utility companies, such as the Jersey Electricity Company Limited and Jersey New Waterworks Company Limited, and if none, when does the Minister expect to progress this matter?

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

The commitment 6.3.1 of the Strategic Plan indicates an objective to consider the sale of States-owned utility companies, the proceeds of which would be deposited in the Strategic Reserve. The plan also commits to the provision of clear criteria, the protection and efficient provision of services provided by States-owned and States-controlled utility companies. The Council of Ministers has given consideration to this matter and decided it would not consider the sale or partial sale of either the Jersey Electricity Company or the Jersey New Waterworks Company until a robust regulatory framework is in place. The Minister of Economic Development has agreed to progress the development of regulatory framework for water and for electricity to complement that already in place for telecoms.

### **2.4.1 Deputy G.P. Southern:**

Can I turn to another public utility please, Sir, which I believe... well, I will ask the question; has the Council of Ministers agreed with his proposal to bring to the States in October the principle of the sale of Jersey Telecoms? Could I ask him further what consultation he has already had with the management and directors of the said company and its employees, in particular in the light of the time-scale - which we have read about only in the newspapers - that it is brought by end of October. The 24th October, leaves a 6-week lodging period from 12th September, and according to the paper, 8th September is the final date for consultation. It leaves 4 days to redraft an entire proposition. Has the proposition in fact already been written?

### **The Greffier of the States (in the Chair):**

We will be coming to this in a later question, I am sure the Minister will no doubt answer nevertheless.

### **Senator T.A. Le Sueur:**

I am obliged... and even if I were not obliged I would still want to bring an issue of this nature to the States for the States to make a decision on whether or not we should sell Jersey Telecoms. I confirm that that decision will be taken by the States Assembly after the due period of consultation with members of the public and interested bodies, such as the staff and directors of Jersey Telecoms, who have already engaged in consultation prior to the issue of this document. The document was issued with the full knowledge of the Board of Jersey Telecoms and with that of

the Council of Ministers, and I hope that that consultation period will enable any people with interest or concerns to express those to me in order that the ultimate proposition, which has not yet been drafted, can be drafted in the appropriate way.

#### **2.4.2 Deputy G.P. Southern:**

Will they refer to the dates available for consultation, and the date he intends, or the Council of Ministers intends, to bring this proposition to the States?

#### **Senator T.A. Le Sueur:**

The dates for debate will be obviously ultimately in the hands of States Members. I am anxious that once this sort of proposition sees the light of day it should not drift along unnecessarily and unduly. We have, I suspect, a fairly busy session in the autumn, and when we debate it in the autumn session will be a matter for this House to decide, but I am anxious that the possibility is that the longer we delay this the greater the possibility of a decline in the value of the assets, which would be against the public interest.

#### **2.4.3 Deputy P.V.F. Le Claire:**

Would the Minister answer the question in respect of the Council of Ministers, because it certainly was not clear to me; has the Council of Ministers agreed in principle for the sale of Jersey Telecoms to come to the States in October?

#### **Senator T.A. Le Sueur:**

The Council of Ministers has agreed with the principle that it should come to the States for debate. The Council of Ministers has also agreed that we should issue a consultation document first in order that we have all the information we need to make an informed decision at that time.

#### **2.4.4 Deputy G.P. Southern:**

Does the Minister not agree that such a major decision needs careful scrutiny, and that to hold a relatively short period for consultation over the holiday break essentially, is a fundamental mistake; and will he agree that this item should be deferred until proper scrutiny can take place to ensure that this is absolutely the correct way forward?

#### **Senator T.A. Le Sueur:**

I omitted to mention earlier in my answer to an earlier question, that among those whom I consulted was also the Chairman of the Corporate Affairs Scrutiny Panel whom I advised of this proposal before it saw the light of day.

**2.4.5 Deputy G.P. Southern:**

Nonetheless, does he not agree that in order that such a major decision should take place that some form of detailed scrutiny is absolutely essential before we press ahead with this particular scheme?

**Senator T.A. Le Sueur:**

It is not my duty, Sir, to decide what Scrutiny should or should not decide, or what their terms of reference should or should not be. It is up to every Member of this House to ensure that they are fully informed before they make that decision, and Scrutiny will be part of that process to the extent they want to get involved, Sir, that is entirely a matter for the Scrutiny Panel concerned.

**2.4.6 Deputy G.P. Southern:**

Does the Minister not agree that a date in October renders proper scrutiny of this issue absolutely and completely impossible?

**Senator T.A. Le Sueur:**

No, Sir.