

2.12 The Deputy of St. John of the Minister for Treasury and Resources regarding the redundancy rights of the staff at Jersey Telecom:

Given that many of the staff at Jersey Telecom were formerly States employees, do they still have the same redundancy rights as public sector employees and is the Minister aware of any other States-owned companies which are considering making redundancies?

Deputy E.J. Noel (Assistant Minister for Treasury and Resources - rapporteur):

When Jersey Telecom was part of the States administration they negotiated pay and conditions separately with the union Amicus, now part of Unite. They were also subject to the overall States H.R. (Human Resources) policies such as redundancy terms. Jersey Telecom has informed the Minister that their employees' terms and conditions of employment are negotiated between the company and its employee representatives' union, the GMB. The terms on which redundancy payments are made are a matter for the company to propose in conjunction with its employees' representatives. We expect Jersey Telecom along with other States-owned companies to be good employers and to treat their employees fairly.

2.12.1 The Deputy of St. John:

Given the recent news that Jersey Post is to enter the telecom market, would there not be any merit in combining both Jersey Post and Jersey Telecom as one company? If so, has this been given serious consideration?

Deputy E.J. Noel:

I welcome the suggestion from the Deputy of St. John. I will take that back to the Minister to see if he wishes to progress it further.

2.12.2 Deputy G.P. Southern:

In the light of problems that Jersey Telecom may have in funding an additional mechanism of early retirement for some of its employees to cope with the slimming down, will the Minister for Treasury and Resources consider directing some of its dividend towards creating a fund which will enable voluntary early retirement to also operate in the coming year?

Deputy E.J. Noel:

I believe that the Minister for Treasury and Resources will not be making a request to the company along those lines. However, should the company approach the Minister I am sure the Minister will listen to their arguments and acting upon advice will make the necessary steps.

2.12.3 Deputy D.J. De Sousa:

As these employees were previously States workers are they still covered by P.E.C.R.S. (Public Employees Contributory Retirement Scheme) pensions?

Deputy E.J. Noel:

I believe that some of the employees may well do so, but since the ownership of Jersey Telecom and the employment came out of the States scheme there will be a number of members who are not in that scheme.

2.12.4 Deputy G.P. Southern:

Is the Minister for Treasury and Resources aware of current vacancies in this area that need to be filled for some very highly specialised and skilled workers? Does he accept that a reasonable estimate of the tax lost through these layoffs is of the order of £0.3 million annually?

Deputy E.J. Noel:

There are 2 questions there. The first is that at a recent meeting with some representatives of the board we were advised that they do not have any current vacancies for any staff. With regard to potential loss of tax revenue, that can only be done on an individual case-by-case basis.

2.12.5 Deputy G.P. Southern:

The Chief Minister in an email earlier in the week suggested that 92 per cent of what is now over 500 jobs in the telecoms industry are locally qualified. Will the Minister for Treasury and Resources clarify that answer by giving the Members a breakdown of how many locally qualified employees are employed by J.T. and how many by the rest of the industry?

Deputy E.J. Noel:

I believe that really is a question for the Minister for Economic Development. It comes under the Regulation of Undertakings and Development Law.

Deputy G.P. Southern:

Will the Minister then seek an answer from the Minister for Economic Development?

Deputy E.J. Noel:

I would be happy to approach my good colleague.

2.12.6 The Deputy of St. John:

Could the Assistant Minister please tell Members how many apprentices and approvers, *et cetera*, are currently in training within Jersey Telecom to fill in vacancies as people get to the top of their profession and move to retire?

Deputy E.J. Noel:

I do not have the numbers. I am happy to get those for the Deputy. However, again I have recently met with members of the board and they have advised me that they do undertake training for all their staff and wherever possible to train staff up to meet any shortfall in skills that they have.

The Bailiff:

We now come on to question 13. The Deputy of St. Martin will ask the question of the Assistant Minister for Treasury and Resources.