

2.5 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding the number of domestic connections required to ensure the viability of the Gigabit project:

What number of domestic connections per month are required to ensure the viability of the Gigabit project and what numbers have been connected per month in the period January to March 2013?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I am advised that 541 properties were connected in the January to March period, 140 in January, 250 in February and 177 in March. This brings the total properties connected at the end of March to 2,278. As with any one-off infrastructure project on a scale as big as this, which is the biggest infrastructure project ever undertaken in Jersey, particularly in terms of logistics and interaction with users, the success of the Gigabit programme will be measured by reference to the successful connection of Island properties within the total envelope of 41.5 million. As I have previously stated, J.T. (Jersey Telecom) have had issues with their contractor, but I am pleased to advise that they have made significant progress in resolving those issues and I am advised that the number of homes connections will accelerate in the months to come.

2.5.1 Deputy R.G. Le Hérissier:

I thank the Minister for his words. I wonder if the Minister could outline why he believes there will be an acceleration of connections in the months to come.

Senator P.F.C. Ozouf:

I do not know whether the Deputy had the opportunity of attending the briefing that was given by J.T. Effectively what has happened is that there was a failure in the relationship between the subcontractor and the contractor, and effectively that has had to be resolved. Now new arrangements have been put in place. I have stated before that I regret the fact that the individuals that were employed by the subcontractor lost their jobs, but I understand that redeployment is now underway and with this new arrangement in place, for all those reasons, and the support of the contractor, we are going to see a rapid acceleration of connections.

2.5.2 Connétable P.J. Rondel of St. John:

Under the previous subcontractor and the current subcontractor, I note that there are still as many holes being dug up to try and find the necessary boxes or connections. How much longer and who is picking up the final bill on all these holes that are being dug, and if the Minister is going to say it is going to be Telecom, can he give some serious thought before saying that, please?

[10:00]

Senator P.F.C. Ozouf:

I would have imagined the Connétable of St. John would be celebrating infrastructure investment. It is something that he cared passionately about, and so digging up the roads and making our Island better is what exactly he wants, but he does raise an important question about the costs of reinstatement of roads and that is something which the T.T.S. (Transport and Technical Services) Minister is endeavouring to resolve with utility companies. As far as the total cost of the project is concerned, it is £41.1 million for J.T. and that has been partly funded by a loan to J.T. and receiving slightly lower dividends.

2.5.3 The Connétable of St. John:

Will the Minister tell us what the cost will be to the Island over and above with the road repairs, please?

Senator P.F.C. Ozouf:

I understand that T.T.S. have now significantly strengthened arrangements for main roads. I am not sure what the arrangements are for reinstatement of Parish roads, and it is something that the Minister for Transport and Technical Services is holding utilities to account for. The Connétable shakes his head. He cannot have it both ways. He cannot have the Island connected with mains drains, which I want to see, and better infrastructure if we do not do some digging up of the roads, but they must be reinstated properly.

The Deputy Bailiff:

Minister, we have already departed substantially from the question and we are not going on to drains.

2.5.4 Deputy M.R. Higgins:

I was trying to listen as closely as I could to his answer to Deputy Le Hérissier, but I do not think the Minister answered the question. The question said what number of domestic connections per month are required to ensure viability. We were told how many have been done in the last 3 months but how many are required to ensure the viability of the project?

Senator P.F.C. Ozouf:

I apologise for that. I did have that number in my notes and do not appear to have got it in my briefing this morning. That is my fault. I will circulate that number of what the estimated requirement of homes connected is, which has been discussed with the Treasury, and we have certainly been holding the board to account in relation to that number, but I will give the Deputy that number later on via email if I may.

2.5.5 Senator S.C. Ferguson:

How many people have subscribed for the 25-megabyte connections and above?

Senator P.F.C. Ozouf:

Sir, you said I went off piste. I am not sure that that question relates to the original answer. I am not Managing Director of J.T. but I will try and answer that question by email later. I do not hold those figures in my head and I do not necessarily know them. I am not a shadow board director.

The Deputy Bailiff:

It was closer to the original question than the one about the roads.

2.5.6 Deputy M. Tadier:

Is the Minister aware, when one connects to Broadband with J.T., whether it be Gigabit or anything else, that one is obliged to have a phone line attached as well? Can the Minister look into this issue as to whether or not it could be possible to purchase a Broadband connection without a landline and the associated cost?

Senator P.F.C. Ozouf:

You need a telephone line to get Broadband and that is certainly the issue with copper.

Deputy M. Tadier:

That is not true.

Senator P.F.C. Ozouf:

I am not an engineer, and I am just simply cannot answer questions about the commercial arrangements with J.T. My role is to deal with accountability of the board and sign off the high level policies in relation to infrastructure spend. States Members do like asking me questions about the micro management of these organisations, and I simply cannot do that, and that is

really not the role of the Minister for Treasury and Resources. I cannot answer questions about telephone lines and Broadband in this micro way.

2.5.7 Deputy R.G. Le Hérissier:

Would the Minister not concede that the pricing policy, as such, that he and the board are being highly optimistic that there is going to be this uplift in connection? Would he not concede that there has to be a much more radical pricing policy to bring people to the point of signing up?

Senator P.F.C. Ozouf:

No, I do not agree, and these are issues that are rightfully for the board and, where necessary, for the oversight of the Jersey Competition Regulatory Authority who regulates telephone prices. If there is an issue with telephone prices and Broadband connections, then they will regulate. They have the powers to do so. That is the issue. As far as the business plan is concerned, I understand that the business plan was conservatively drafted in terms of the amount of connections that were made and the pricing policies. I have full confidence in the board in making the right commercial decisions to make sure that this project not only delivers the infrastructure improvement but also returns money to the shareholder, which is ultimately the people of Jersey.