

2.4 Deputy S. Power of the Minister for Treasury and Resources regarding the fibre optic Gigabit Jersey technology:

Will the Minister confirm that, despite a £40 million investment by the public, there will be some addresses that will not be able to use the fibre optic Gigabit Jersey technology, and would he further confirm that an English company, CH2M HILL, is contracted to do the majority of the cabling and infrastructural works, and how does this benefit the Island's tax revenues and provide work for local employees?

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

I am pleased to inform the Assembly that, upon advice from J.T. (Jersey Telecom), I can confirm that all addresses in Jersey will be able to use fibre optic technology. No addresses will be unable to access, or be excluded from, services once the complete programme has been rolled out. This is the biggest single programme of work ever undertaken in the history, we think, of Jersey Telecom, and every address in Jersey will be able to gain from its benefits. Of course, the ubiquitous nature of fibre in Jersey is the issue that is receiving worldwide attention and we think will create jobs in terms of the Minister for Economic Development's desire to create a digital economy in Jersey. As far as the partnership is concerned, J.T. is partnering with the company that the Deputy asked, and has indeed done so for the last 7 years. Its parent company is a global leader in the area of fibre optic working. The employment also, as part of the contract, is for 100 unemployed locals. Furthermore, the company has given a commitment with J.T. under the terms of the funding that we put in place, that apprenticeships, bursaries, and graduate schemes are also going to be put in place and providing additional opportunities for young locals. Of course, in addition to that, this scheme is protecting the jobs of existing J.T. employees. I hope that answers the Deputy's question.

2.4.1 Deputy S. Power:

I would like to follow up on the 2 parts to the question. The first part is part (a) where the Minister said that all Jersey addresses will be able to access Gigabit Jersey. Can he confirm that there will be a cost to this for some addresses and could he also perhaps ask J.T. to voluntarily give the address of contractors, subcontractors, their employees, to the Minister for Housing and Development, so that he can confirm the residential status?

Senator P.F.C. Ozouf:

I certainly can do that. I am advised by J.T. that this is ubiquitous, this is the difference in terms of fibre optic roll-out that we are seeing in Jersey compared to other countries such as Singapore, and every home in Jersey will be connected at the end of the process. Indeed, the nature of the funding that we have put in place with J.T. requires them to do things like train unemployed locals. I do not know the precise Regulations of Undertaking Licence of that contracting company, but I am happy to look into that and to share that, as appropriate and under confidentiality - of course, it is commercially confidential information - with the Deputy, if he wishes. I would also point out that in regards to the funding of it; the Treasury has provided £10 million-worth of the investment. The company itself was going to be putting £30 million in for, effectively, super-fasting the copper. We decided to put the extra £10 million to go the further step of rolling out fibre, which is so exciting.

[10.00]

2.4.2 Deputy J.M. Maçon of St. Saviour:

The Minister commented that this facility will be available to every home in Jersey. The Minister said that that would be done by the end of the process. Can the Minister give us an indication when that is going to be or is it going to be like the mains drains saga? Thank you.

Senator P.F.C. Ozouf:

I am pleased to say to the Deputy and to the Constable of St. John, this is not another mains drains. This is a project that we are getting on with and have funded. The original timetable was 2 years for roll out. Clearly J.T. wants to beat that target. We think it is really important to get people in work and rolling out this technology and there was one question I did not answer, I apologise.

2.4.3 Deputy G.P. Southern of St. Helier:

Apart from through its employees income tax, does the company, CH2M HILL, pay Jersey income tax?

Senator P.F.C. Ozouf:

No, of course, and that is the dilemma that I and the other Crown Dependencies have in relation to zero rate of tax. I hope to be holding some constructive discussions with my opposite number from the Isle of Man later this afternoon, and further discussions with my new opposite number in Guernsey, in relation to dealing with this common issue of non-locally owned, non-financial services companies.

2.4.4 The Connétable of St. John:

Can the Minister advise of the 100 jobs being proposed for this particular contract how many of them have been taken up to date?

Senator P.F.C. Ozouf:

I am advised that it is 75, I think, from the information I have from J.T. The 100 posts were 10 for cable deployment of the backbone network, 30 posts for splicing fibre optic cables, 60 posts for the installation of customer premises, equipment and provision of fibre optic services within the home.

The Connétable of St. John:

But how many have been given out to start?

Senator P.F.C. Ozouf:

I am advised that it is 75 so far but they are recruiting to the full 100.

2.4.5 Deputy S. Power:

I do not want to do the Minister an injustice by misunderstanding. Am I clear in my understanding to his first part of my question that all domestic residences in Jersey will be able to access Gigabit Jersey but that some will have to do it at a cost? Is he willing to ask Jersey Telecom to disclose to the Minister for Housing the details of all the employees of the contractors and sub-contractors of CH2M HILL so that the Minister for Housing can have a better idea as to who is qualified and who is not?

Senator P.F.C. Ozouf:

Two questions, that is an issue for Regulation of Undertakings and Development and the Migration Advisory Group, and I am happy for that process to work outside of the normal arrangements. That is not something I am responsible for but that should certainly happen if the Deputy has concerns. I think the important point is universal service obligation. Clearly, fibre optic cable laying, without being pejorative, to St. Ouen is going to be more expensive than within St. Helier. We want every home in Jersey to be connected to fibre optic and that is why we have made the investment. A universal service obligation for fibre optic to every single home... and that is what is important about the exciting removal of the copper network and putting in place fibre for everybody and being a world leader. This will attract attention and investment in our digital economy.

The Bailiff:

I think the question to the Deputy is whether it would be at cost to some houses?

Senator P.F.C. Ozouf:

Indeed, of course, J.T: this is another matter that must be resolved between the regulator and J.T. in terms of the cost. If subscribers want a gigabit, then they will pay a higher monthly tariff than their 20Mb service. But they will be able to not only get that service, it will be reliable and it will be resilient. There is accommodation in La Moye and other areas that simply do not have good Internet service. This is going to solve that but of course there will be a hierarchy of charges for the different speeds that people will want to have.