

Economic Affairs Scrutiny Sub-Panel (Telecoms Privatisation)

PUBLIC MEETING

Record of Meeting

Date: 19th October 2007

Meeting Number: 15

Present	Deputy G. P. Southern, Chairman Deputy J.G. Reed Deputy G.C.L. Baudains
Apologies	Deputy J. A. Martin
Absent	
In attendance	Mrs. E. Kingston-Walsh, Scrutiny Officer

Ref Back	Agenda matter	Action
1.	<p>Minutes It was decided to defer consideration of the minutes until the next meeting.</p>	
2.	<p>Update from the Chairman</p> <ul style="list-style-type: none"> Hanson Renouf had been contacted to see if they had the time and expertise to advise the Sub-Panel. It noted that they had previously advised on employee protection and pension issues. David Parker (the Sub-Panel's previous advisor) had been contacted. Although he indicated some reluctance to have further involvement in this review due to the work he had undertaken on the Telecoms Steering Group, he did agree to review P. 153/2007, if it contained significant deviation from his agreed position with the Steering Group then he would consider advising further. Tim Langlois, representative for Amicua/Unite trade union had been contacted. He informed the Chairman that the union are planning to approach States Members to discuss concerns over the sale of Jersey Telecom. Further funding for the Sub-Panel had been agreed by the Economic Affairs Scrutiny Panel. A sum of £10,000 had been allocated to the Sub-Panel to enable further investigations to be undertaken. 	
3.	<p>Statement The Sub-Panel recalled its decision to make a Statement to the States on 23rd October 2007 to ask Members to defer the debate on P. 153/2007. It was agreed that Deputy Martin would make a Statement and ask Members to defer the debate on P. 153/2007 until the first or second session in January 2008. Amendments to the Statement were suggested and the officer was directed to take the appropriate action.</p>	<p>JM</p> <p>EKW</p>
4.	<p>Letter form Senator Shenton The Sub-Panel recalled that Senator Shenton had been invited to</p>	

	<p>present his thoughts on P.153/2007 to the Sub-Panel. The Sub-Panel considered the letter from Senator Shenton detailing his views. The Sub-Panel noted that the Senator believed that a minority sale was in the best interests of the States. It further noted that it was understood that the Senator intended to bring an amendment to P. 153/2007 for a partial sale.</p> <p>The Sub-Panel considered that this would change the order of the debate and that a debate on the partial sale of Jersey Telecom should be based on separate, properly constructed proposition. It further considered that such a proposition should come from the Minister for Treasury and Resources.</p> <p>The Sub-Panel agreed to arrange a meeting with Senator Shenton to express its concerns.</p> <p>The officer was directed to take the appropriate action.</p>	EKW
5.	<p>Jersey Competition Regulatory Authority review</p> <p>The Sub-Panel considered the draft terms of reference for a review of the JCRA as given on page 292 of P. 153/2007. It noted that the terms of reference did not included mention of the amount of resources required by the JCRA nor was there mention of the effectiveness of the JCRA to act as a Telecommunications regulator.</p> <p>Additionally, there was no mention of immediate sanctions as recommended by the Steering Group.</p> <p>The officer was directed to draft a letter detailing the concerns of the Sub-Panel regarding the draft terms of reference and to request assurance that the issues will be resolved prior to the debate of P.153/2007.</p> <p>The Sub-Panel noted inconsistency in the arguments regarding structural separation. The advice from Oxera was not to structurally separate JT, yet the Proposition indicated that if the buyer of JT was a current operator, the JCRA would require them to separate.</p> <p>The Sub-Panel considered requesting advice on competition issues and noted that David Parker may be able to assist.</p>	EKW
6.	<p>Legal advice</p> <p>The Sub-Panel discussed the areas of concern that required legal advice.</p>	
7.	<p>Letter to Massimo Florio</p> <p>The Sub-Panel considered and agreed a draft letter to Massimo Florio pending minor amendments.</p> <p>The officer was directed to take the appropriate action.</p>	EKW

Signed

Date:

.....

Chairman

Economic Affairs Scrutiny Sub-Panel (Telecoms Privatisation)