

Economic Affairs Sub Panel (Telecoms Privatisation)

Meeting No. 9

29th November 2006
First floor meeting room, Scrutiny Office

Present Deputy G. P. Southern, Chairman
Deputy J. A. Martin
Senator B. Shenton

Apologies Deputy G. Baudains
Deputy J. Reed

In attendance I. Clarkson, Scrutiny Officer

Ref Back	Agenda matter	Action
1.	<p>Minutes The Sub Panel approved the minutes of the meeting held on 16th November 2006.</p>	
2.	<p>Matters arising The Sub-Panel noted that its adviser, Mr. D. Parker, was due to provide the Scrutiny Office with an update on his research later in the week.</p> <p>The Sub-Panel noted receipt of a legal opinion from Amicus concerning matters raised at the public hearing on 17th November 2006.</p>	IC
3.	<p>Public Hearings The Sub-Panel received draft transcripts of the hearings held on 17th November 2006.</p> <p>Arrangements for public hearings on 18th – 19th December 2006 were in hand, although neither Jersey Airtel nor Cable and Wireless had yet indicated that they would attend. In the event that either or both telecoms companies agreed to attend, the Sub-Panel agreed that it would wish to ask a series of questions concerning –</p> <ul style="list-style-type: none"> a) Economies of scale, b) Competition in small jurisdictions, c) Voice over Internet Protocol, and d) The general state of the telecoms market in Jersey. <p>The officer was authorized to brief both Cable and Wireless and Jersey Airtel.</p>	IC
4.	<p>Privatisation Lecture The Sub Panel was advised that Professor Florio's office had confirmed his attendance and acceptance of the financial arrangements as proposed. Lecture notes were to be obtained from the Professor in due course.</p>	IC

	<p>Responsibility for approving an advertisement in the Jersey Evening Post covering up to 5 columns was delegated to Deputy G.P. Southern. Invitations were to be sent to all States members, the Board of Jersey Telecom, representatives of Amicus and other stakeholders.</p> <p>The Sub-Panel agreed that it should meet with Professor Florio during the latter part of the morning on 12th December and that a working lunch at a restaurant in St. Helier should be arranged to follow. The officer was instructed to make the necessary arrangements.</p>	<p>GS / IC</p> <p>IC</p>
<p>5.</p>	<p>Additional lines of enquiry</p> <p>The Sub-Panel noted that Deputy Southern had written to HM Attorney General seeking legal advice on a series of TUPE and pensions legislation related matters. It further noted that a copy of the questions had been sent to law firm Hanson Renouf in order that, in the event the Law Officers were unable to provide the necessary legal advice, that firm might be engaged. The Sub-Panel ratified the decision to write seeking the advice and authorized the Chairman to obtain the advice from Hanson Renouf if necessary, on the understanding that a budget for legal advice of more than £4,000 would cause the Sub-Panel to require prior authorization from the full Panel for additional funds over and above its £25,000 allocation.</p> <p>The Sub-Panel noted that various reports on the implications of privatizing JT were now being produced by Citigroup for the Treasurer of the States, by the Jersey Competition Regulatory Authority and possibly by the States of Jersey Economic Adviser. It was understood that the JCRA report was to be delivered to the Minister for economic Development by the end of the year. The Sub-Panel considered that it was obligated to consider the content of the various reports prior to presenting its findings to the States; accordingly the timescale for production of those reports might cause the Sub-Panel to miss its anticipated presentation date of 16th January 2007. It agreed that the Chairman should write to the Minister of Treasury and Resources advising him of this issue. It further authorized Deputy Southern to pursue a briefing with Citigroup and officers of the States Treasury concerning work carried out to date.</p> <p>The Sub-Panel instructed its officer to investigate the cost of regulation in Jersey and Guernsey in recent years.</p>	<p>GS / IC</p> <p>GS / IC</p> <p>GS / IC</p> <p>IC</p>
<p>6.</p>	<p>Date of next meeting</p> <p>12.00pm Tuesday 12th December – pre-meeting with Professor M. Florio (Le Capelain Room) followed by lunch (Location to be advised)</p> <p>7.30pm Tuesday 12th December – Florio Lecture at Pomme d’Or Hotel, St. Helier.</p> <p>2.00 pm Wednesday 13th December – Blampied Room, States Building.</p>	

Signed

Chairman

Date