

13th September 2006

Re: Proposed Sale of Jersey Telecom

Deputy Southern

As a Jerseyman, taxpayer and Jersey Telecom employee for 29 years , I felt compelled to write to all States Members with my views on this very important issue .

These are my personal views and not of any Union promptand my points are not intended to be confrontational.

I was both amazed at the proposal to maybe sell off JT and angry that there has been little concern given to the staff .

This move is nothing short of asset stripping and leaving these very people to fend for themselves.

I am most concerned with the haste at which this is wanting to be pushed through.
We have been told it should go through quickly..... Why ?? Is this standard practice for business..... I think not !!

This is not a case of selling off any business or piece of unused land , but rather a very important part of Jersey's infrastructure where JT plays a leading role in support of the Finance industry ,.....which has been acknowledged .

It has been achieved by the combined efforts of the staff and has put JT in a strong dominant position.

I'm afraid assurances from Senators Frank Walker and Terry Le Sueur do not set my mind at rest, offering only 'lip service' and it would be naïve of anyone to expect a potential buyer to agree to any conditions , I remember what happened to Guernsey Telecom when it was bought by Cable & Wireless and the many jobs that were lost as a result.

But then C&W are no strangers to job cuts , wherever they go , jobs are lost.

I will openly admit I am very concerned with my own position regarding my future and that of my pension.

I have paid a considerable amount into the States PERCS over 30 years, there was no opt out when I started and I will feel very aggrieved if I loose out due to this possible sell off.

We are told to make financial arrangements for later on in life , well I thought I had what am I expected to do to replace it at this stage through no fault of my own ?

The 'discussion' paper is biased towards a sell off and does not go far enough to reassure staff of continued future employment.

Competitors are currently filling their vacancies , so any possible JT personnel will not find similar type vacancies with them, especially with recently announced unemployment figures.

Also concerning is the wish for the sale to be pushed through ahead of the TUPE legislation , which would give some protection to staff in exactly this type of scenario, but there is nothing to stop the new employer changing policy on staff levels etc after the deal is done.

Senator Ben Shenton's proposition to halt any proposal of a sell off , highlights very well issues relating to TUPE,

Therefore as this is in the public arena , no sell off should be contemplated until the protected rights of staff is established , as it would be seen as a premeditated act to the detriment of people (staff)

with no redress.

Some might say selfish, but I have a duty to my family and all States members have a duty to me as a resident worker and taxpayer along with the 370 odd staff that have provided an excellent service to all in Jersey.

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How do finance houses, banks and other businesses view this proposal? Has anyone even asked them? , regarding the possibility of a new operator with its headquarters probably located in another jurisdiction say Bermuda, India or Spain having control over their very important and confidential transactions.

Would a new operator offer the current support levels or more likely cut services in the name of profit.

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How do the people of Jersey feel about the profits of something they own being sold off and those profits possibly going abroad.

To sell off for a 'quick buck' is short sighted, I'm not impressed with whoever is advising this option.

Firstly Senator Le Sueur mentions 'hundreds of thousands of pounds' and a possibility of JT having to go to the States for monies to update exchange equipment. Obviously he should (but does not) know, since incorporatisation a few years ago, JT was to fund itself and if extra funds were required it went out to the private sector for a loan.

Now he's saying more jobs could be lost if any sale is delayed, which says that jobs will be lost.

I could not believe what he was proposing to do with funds raised from the JT sell off, how do we know what profits the proceeds might make, it is pure conjecture and speculation.

In the current climate of uncertainty around the world, the UK media is full of warnings from professional investment advisors.

As a Jerseyman I say no sale, Jersey should maintain control of something that brings in £11m plus a year into the Islands purse this makes sense.

If there is a 'blackhole' in the States coffers, as I'm sure other governments have, let us see what happens with the new 20/20 tax and GST brings in, but a quick sell out is not the answer.

Senator Le Sueur in the 'discussion' document and at the recent public meeting at Hautlieu mentions **economy of scale**, but I think he has totally disregarded this factor.

But it was the JCRA, (with Mr Le Sueur I believe, having the right to intervene on policy and decisions) that issued all these additional operator licences for an Island and population of its size.

It was obvious from the outset that there would be too many suppliers competing for such a low customer base !!!!!

Senator Walker is said to say in connection with the three bankers sent to the USA for trial, 'we need to treat people fairer', well here is his opportunity to show just how much he is prepared to care about the 370 plus staff at Jersey Telecom and their dependant families.

Would there be any plans to help families committed to mortgages or those looking after elderly dependants paying nursing care, children at UK colleges plus ever increasing Jersey living costs.

I repeat, it is the staff who have helped build JT into this multi-million pound profit making States Department, it is they who are all having their future's thrown into doubt.

Is this a taste of Jersey's future where the political stance is 'sell sell sell' and let the staff and indeed Islanders get on with it.....

Please say NO to this sell off and retain control of our Islands assets.

I would hate to hear it said “ it’s nothing personal it’s business” , well to me it is personal if my living standards alter.

We hear it said so often , ‘We do things the Jersey way’ well the Jersey way to me means looking after your people and keeping them in work AND not putting them in a position of uncertainty with possible job losses.

Thank you for taking the time to read this, you may not agree with all my points , but hopefully you will get a feeling of my concerns.

Yours faithfully

David Hibbs