

2015.03.24

**4.6 Deputy G.P. Southern of the Minister for Treasury and Resources regarding progress made towards resolving the Gigabit dispute:**

Further to the response given on 3rd February 2015, will the Minister, as shareholder representative, update Members on what progress, if any, has been made towards resolving the Gigabit dispute and state what lessons, if any, have been learned by the department?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

As previously reported, J.T. (Jersey Telecom) are committed to working with CH2M Hill to find a solution to the current difficult situation regarding G.F.F. (Gigabit Field Force) workers and the fulfilment of the Gigabit project. J.T. have undertaken to complete this step as quickly as possible and certainly by June 2015 at the latest. I am assured that discussions are progressing constructively and while J.T. is in no doubt as to my expectations in terms of resolving all outstanding issues quickly, I am persuaded in the interests of ensuring the best outcome for all parties that J.T. need the appropriate time to complete this work. I can also inform Members that I met the president of Global Regions and senior executive from CH2M Denver headquarters last week and delivered precisely the same message in terms of the urgent need to resolve outstanding matters. As to lessons learnt by my department, the most important, in my view, is a matter of expectation management. The roll out of fibre in the manner envisaged was ambitious, visionary but nevertheless the right strategy for J.T. and Jersey. It is however the most technically complex and logistically challenging programme that one can imagine. We should not be surprised to find that there are many engineering and technical challenges along the way and that the roll out plan, costs and timings will be subject to reasonable change based on experience. A learning point for my department, and indeed J.T., is to have been clearer about these challenges from the outset.

**4.6.1 Deputy G.P. Southern:**

The Minister has spent some time talking about relations between G.F.F. and CH2M, however he has failed to mention what has happened to the 12 suspended employees. What solution has been found there to what is the core of a dispute where a proportion of the work force has been suspended for some time now?

**Senator A.J.H. Maclean:**

Yes, and as I alluded to in my earlier remarks, it is a process that is ongoing which J.T. have been assisting with in order to find solutions for all the workers where there has been a matter of dispute. There were 17 in total. The Deputy has referred to a number who have been suspended as they go through a process. That process is ongoing and I am sure Members would appreciate that talking about such matters in this forum, while that process is underway, is not appropriate for me to give any further detail at this time.

**4.6.2 Deputy M. Tadier:**

Will the Minister confirm whether, either due to suspensions or individuals leaving the job, workforce has had to be recruited from outside the Island?

**Senator A.J.H. Maclean:**

No, that is not the case at the current time although it has been stated that in the future there is a possibility that if suitable workers cannot be found and indeed trained locally in order to progress the project, then that might be an option that needs to be looked at. But at this stage that is not the case.

**4.6.3 Deputy M. Tadier:**

But the Minister will confirm that adverts were placed for replacement workers to be brought into the Island interestingly with the terms and conditions much higher than that which were being offered to the original local Gigabit workforce?

**Senator A.J.H. Maclean:**

I do believe there was, as I understand it, an inadvertent advert placed, which was not authorised by the company themselves. That is my understanding of the current position. All I can say is that no workers have been given roles in the project who currently are outside of the Island. The position will be appraised and I have said to Members that there will be a full update by June, which is the period of time I have given J.T. in order to resolve the outstanding issues with our existing work force, or the work force relating to G.F.F., and also the project as a whole in terms of its budget and indeed expected completion date.

**4.6.4 Deputy G.P. Southern:**

Does the Minister consider that one of the lessons that ought to have been learnt is that the Minister for Treasury and Resources, as shareholder representative, has a duty to oversee and monitor the memorandum of understanding that J.T. should be a good employer throughout the process of this Gigabit project? Is that not the case that in future we should take much better oversight of that need to be a good employer?

**Senator A.J.H. Maclean:**

I find myself agreeing with the Deputy insofar as there is an M.O.U. (memorandum of understanding) in place. The M.O.U. does make it quite clear that the company needs to be a good and responsible employer and, as such, I believe the company has done that. Through the dispute that the G.F.F. workers have had with CH2M Hill, J.T. have on numerous occasions stepped in and, as an example, paid in excess of what was authorised by CH2M Hill to workers. On top of that, as we are going through the process now where workers are being offered and are receiving independent legal advice paid for by J.T. to ensure that they are properly and appropriately looked after. So workers being fairly and appropriately treated is at the heart of the M.O.U. and I have done everything possible to ensure that that is indeed the case, including meeting the workers myself.

**4.6.5 Deputy G.P. Southern:**

Does the Minister not believe then that the Minister for Treasury and Resources and his predecessor failed in ensuring that good treatment was had by these employees and that the memorandum of understanding to be a good employer failed?

**Senator A.J.H. Maclean:**

No, I do not agree with that.

**The Bailiff:**

We do not have question 8 as Deputy Higgins is not here.