

2.7 Deputy M. Tadier of St. Brelade of the Minister for Economic Development regarding complaints against the conduct of Jersey debt collection agencies:

Will the Minister inform Members how many complaints have been made to his department against the conduct of Jersey debt collection agencies over the past 3 years?

Senator A.J.H. Maclean (The Minister for Economic Development):

The Trading Standards Division of Economic Development has received a total of 22 complaints and inquiries relating to debt collection agencies in the last 3 years. Of those a total of 11 complaints could be said to be about conduct.

2.7.1 Deputy M. Tadier:

That is useful. Could I ask if the Minister has, of those 11 in particular, how many of those related to one company?

Senator A.J.H. Maclean:

I believe that all 11 related to one company. There are in fact 3 companies in this particular field and the 11 complaints are, I believe, relating to one of those.

2.7.2 Deputy M. Tadier:

If I just read a quote from an email I received yesterday night, and ask the Minister for his opinion, it is a very short quote: "I was recently contacted at my workplace by an employee of the company and without warning the person launched into a tirade of demands for immediate cash with a very real threat of legal action and police action if payment was not received that very afternoon despite the fact that I was not the person to whom that person should have been talking." Does the Minister agree that this kind of behaviour is completely unacceptable and could he say what safeguards there are in place to make sure that these 11 complaints against the same company do not grow?

Senator A.J.H. Maclean:

All businesses in Jersey have a responsibility to trade fairly and I would certainly agree with the Deputy, the email and contents of which he has read, assuming that is as said, are unacceptable behaviour. I would suggest that he has or directs anybody who has concerns about debt collection agencies or any business trading in the Island that is perceived to be unfair in the first instance to the Consumer Council. They have, I know, in the past... Senator Breckon has dealt with a number of issues in this particular area, and they are the agency to raise awareness and to best deal with such matters, certainly in the first instance.

2.7.3 Deputy M.R. Higgins:

Would the Minister elaborate on the level of complaints and context, and could he also confirm whether the debt collectors are licensed and if they are not does he think there should be a licensing scheme?

Senator A.J.H. Maclean:

I am not going to stand here and start going through the details of individual cases. There are a range of complaints which have been registered with Trading Standards. Trading Standards, as a matter of course, investigate each and every complaint that is received and they have spoken to the company in question about the range of different

complaints in this particular area. As far as licensing is concerned, companies that are debt collection agencies are not licensed currently in Jersey; in the U.K. (United Kingdom) they would be. They are licensed in the U.K. under the Office of Fair Trading, under the Consumer Credit Act; that is not applicable in Jersey. The only other point that I would add is that we have just completed a consultation on the unfair trading practices potential legislation and, indeed, I will be bringing forward at the conclusion of that particular Green Paper, and that is an area where some additional protection to consumers would be most appropriately targeted.

2.7.4 Deputy M.R. Higgins:

If I could just come back on the Minister's question. I was not asking for specific examples for individuals, but I would like to know the type of conduct that has been carried out by these organisations.

Senator A.J.H. Maclean:

I am happy to circulate general details of the nature of the types of complaints anonymised to the Member if he would like.

2.7.5 Senator F. du H. Le Gresley:

I am aware from my previous job that there were many complaints about debt collection practices in Jersey and I urge the Minister, would he consider introducing regulation of people who wish to set themselves up as debt collection agents and also would he consider releasing a code of conduct modelled on the one that is issued by the Office of Fair Trading?

Senator A.J.H. Maclean:

I think the best way to answer the Senator's question is that we will progress the unfair trading practices legislation, we will see the assessment of that consultation and see if, indeed, that will provide some additional protection. Regulation is a more difficult area to deal with in this particular matter, but I do think the Senator raises a very valuable point with regard to a code of practice, and I think an area which is targeted with a code of practice would be useful. Indeed, there is a code of practice, which the Senator is probably familiar with, with regard to consumer lending, which was introduced about 18 months ago and has been quite useful. I think we could look at a similar model here, but I would emphasise that the first port of call and the most important, as we stand at the moment, is raising public awareness of challenges and issues in this area and the Consumer Council is the place to target as far as that is concerned.

2.7.6 Deputy M. Tadier:

I have got 2 but I think I will have to stick to the most urgent one. Can the Minister confirm that it is not best to go directly to Trading Standards because presumably anyone who goes to the Consumer Council is going to have to refer any complaints to the Trading Standards Department anyway, so can the Minister just clarify why one should not go directly to Trading Standards to make complaints?

Senator A.J.H. Maclean:

No, the Deputy is correct. It is quite appropriate to speak to Trading Standards to raise a complaint. The connection with the Jersey Consumer Council is quite simply that I am keen that if there is a problem in this area that public awareness is raised about such matters and clearly the Consumer Council would have that role.