

#### **4.4 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding access to the network by J.T:**

Could the Minister for Treasury and Resources, as the shareholder representative, confirm that condition 2 of the agreement to fund the Fibre Optic Project, namely that access to the network be offered on a fair, equitable and transparent and auditable basis, has been fully met by J.T. (Jersey Telecom) and would he identify how many other operators have signed up and how many homes are now connected?

#### **Senator P.F.C. Ozouf (The Minister for Treasury and Resources):**

The Deputy will recall that an earlier question about the 8 conditions for the infrastructure investment was answered on 10th September. I am happy to reconfirm that I am advised that all of the 8 conditions have been fully complied with, including condition 2. Further, the provision of appropriate and workable products to enable operators to compete is covered under J.T.'s detailed regulatory obligations with appropriate oversight from C.I.C.R.A. (Channel Islands Competition and Regulatory Authorities). Regarding operators that have signed up, only Batelco has its internet-link in place with J.T., but has to date only connected a handful of their subscribers. I am also aware that other broadband providers, including Newtel, could have put this interconnect link into place but Newtel has not elected to do so. So I am further advised that J.T. is keen to have all operators sign up and offer fibre-optic services. J.T. operates as a commercial company and it is not in a position to force competitors of course to sign up, nor should it be expected to subsidise competition.

#### **4.4.1 Deputy R.G. Le Hérissier:**

The Minister for Treasury and Resources did not give the number of people overall connected, but perhaps we could come back to that. Would the Minister confirm that no major operator has signed up after what is nearly 3 years and that it was an absolute travesty to start this system without C.I.C.R.A. having set the conditions and having played a strong role? Would he not confirm that this really is straining the incredulity of people? Is he there to protect J.T.? Is he there to protect the infrastructure operator?

#### **The Bailiff:**

That was several questions and I think you would ... yes.

#### **Senator P.F.C. Ozouf:**

J.T. is to announce later today that they have now reached the 5,000 number of homes connected and that is incredibly good news. In terms of competition, the Deputy says: "You should have simply left all of these infrastructure investments until the operators would have come to some agreement" and that means that we would not probably even now be rolling out fibre-optic and being able to send the message out about Jersey's community being connected to fibre-optic in such an accelerated way to other places. There are issues about the way that J.T. deals with competitive issues and that is an issue for C.I.C.R.A. C.I.C.R.A. has the powers, they have the resources and they must ensure that J.T. is acting properly, which I think they are. My job is not to protect J.T., my job is also to look at the overall Island interest and ensure competition works, but J.T. is not disadvantaged.

#### **4.4.2 Deputy R.G. Le Hérissier:**

Would the Minister for Treasury and Resources not acknowledge that his final statement is sadly very far from what is happening? Would he not accept, as we have seen with a recent court case over wholesale line-rental, we saw over ...

#### **The Bailiff:**

One moment, Deputy. That is a case in court at the moment.

**Deputy R.G. Le Hérisssier:**

As we saw with a court case over number portability, where large amounts of money were spent by J.T. to drag out an issue and which have cost subscribers an enormous amount of money, would the Minister for Treasury and Resources not accept that there is not proper regulation? There are no telecommunication officers at the Jersey Competition Regulatory Authority at the moment, for example. This is all dragging out. When is he going to get some action?

**Senator P.F.C. Ozouf:**

I think the Deputy may be asking the wrong Minister. I have responsibility for the shareholding responsibilities, but I know if it was my good friend, the Minister for Economic Development, he would say that C.I.C.R.A. does have the resources. While they do not have officers employed and we have simply in the last few weeks had debates about public sector employees going back, C.I.C.R.A. is better to bring in experts with experience of how telecom operators frustrate competition and deal with competitive issues that way. I have confidence in J.T., I have confidence in C.I.C.R.A. and I have confidence that ultimately, as poacher turned gamekeeper, having flipped from that position to this one, low competition, low barriers to entry work in the consumers' interest. There is a constructive tension going on and that is healthy to see.