

4.5 Deputy M. Tadier of the Minister for Economic Development regarding the current status in Jersey of credit links:

Can I just say thanks for that clarification? It would be nice, I think, if the same strictness applied and if Standing Orders allowed for answers to be given which relate to the question as well, which is not always the case. Would the Minister advise what is the current status in Jersey of a credit link between a customer and a finance company when the shop providing the link goes into liquidation before the items are delivered to the purchaser and what action, if any, is the Minister taking to ensure that consumer rights are protected in such circumstances?

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

The consumer protection legislation in Jersey has improved considerably in recent years. The most significant improvement was the introduction of the Supply of Goods and Services (Jersey) Law in 2009, a law which finally made consumers' statutory rights a reality in the Island. Statutory rights protect consumers from shops going into liquidation if they entered into hire purchase or conditional sale agreements. Protection is also afforded to consumers who pay using a credit card. Unfortunately, I am aware of one type of linked credit agreement which leaves consumers unprotected, similar to payments made by cash, cheque or debit card. This demonstrates there is still more to be done to improve consumer protection for Islanders and visitors. That is why I will shortly be issuing a *Green Paper* on the introduction of a new Consumer Protection Law which would seek to address linked credit agreements and other issues in a fair and proportionate manner.

The Deputy Bailiff:

A supplementary?

4.5.1 Deputy M. Tadier:

I am glad to hear that there is progress under way and I look forward to that being introduced. Can the Minister comment on the Consumer Credit Act in the U.K. of 1974 and whether similar introductions will be made here, which states that basically when goods or services are being paid for using a form of credit agreement which is arranged by the trader, for example, that the purchaser may have an equal credit claim against the credit company as well as against the, for example, furniture store which may have gone into liquidation, and can the Minister confirm whether that kind of arrangement would be possible in Jersey?

Senator A.J.H. Maclean:

Indeed, the U.K. Consumer Credit Act from 1974 the Deputy refers to is a very weighty piece of legislation, and indeed, dating back to the early 1990s, Lady Wilcox reviewed our unfair trading practices in the Island, specifically relevant to small jurisdictions. The intention of the legislation that we hope to contain the basis of within the *Green Paper* - in fact, I have a draft *Green Paper* here which has been in the final stages of preparation - will deal, I hope, with the key areas of concern that exist, but in a proportionate manner for a jurisdiction the size of Jersey.

4.5.2 Senator A. Breckon:

Unlike deposits, can the Minister confirm that there is no licensing regulation on those who issue credit?

Senator A.J.H. Maclean:

I am not aware that there is, but I am more than happy to confirm the position and get back to the Senator.

The Deputy Bailiff:

Final supplementary?

4.5.3 Deputy M. Tadier:

Regarding the *Green Paper*, can I just ask for some more information about the timescale, where it is at exactly? Has it been put out to consultation? Are we at the beginning of the *Green Paper*, or at the end of it, and what is the likely timescale for the actual introduction of this Act or the equivalent of the U.K. Act?

Senator A.J.H. Maclean:

Yes, I cannot give the Deputy absolute timescales, but approximately - I have, as I have said, the draft version of the *Green Paper* with me at the moment - we are anticipating being in a position to put that out for consultation within the next month or so, with the intention of having the consultation concluded by the end of the year. That is the approximate timetables we are working to at the moment, but I am happy to keep the Deputy informed should those timescales change to any degree.

The Deputy Bailiff:

Very well. We come on to question 6, which the Deputy of St. John will ask of the Minister for Education, Sport and Culture.