

3.18 Deputy M. Tadier of the Minister for Economic Development regarding the introduction of a code of conduct for debt collection agencies:

Will the Minister confirm whether he would support the establishment of a voluntary working party including industry professionals to consider the introduction of a code of conduct for debt collection agencies in Jersey?

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

The short answer is that, in principle, yes, I would, although it is really a matter for that industry to progress. This question follows alleged poor practices by one debt collection agency recently publicised in the media. I would therefore strongly encourage all those businesses involved in debt collection to form a representative association. This will not only help to inform and protect the public but also the reputation of the majority of businesses who operate well-run and fair debt collection agencies. A representative association would expect organisations to draw up a code of conduct which is, in effect, self-regulation. A new debt collection association would develop appropriate rules for its members to follow and appropriate sanctions for breaches of those rules.

3.18.1 Deputy M. Tadier:

The Minister may be interested to know that industry representatives have already called for the setting up of a working group and perhaps a voluntary code of conduct for all debt collection agencies. Does the Minister acknowledge that, while in an ideal world, one would want all of these such agencies to come on board and support the initiative, if there are unscrupulous debt collection agencies in the Island, they are going to be less likely to come forward and it may be necessary for the States to help to set up the framework of such a group to look into the deeper issues?

Senator A.J.H. Maclean:

I understand the point. I would expect and hope that all companies involved in a particular industry would join such a group. It is in their interests to do so as well as the public interest. Having said that, public awareness plays an important part to businesses that do not operate in a fair and just manner. The Consumer Council does a lot of good work in that area but I can tell Members that following a recent Green Paper, I am intending to progress a new consumer protection law, in particular relating to unfair trading practices. It may well be that this particular law has regulatory powers to deal with such matters if that were the outcome necessary.

3.18.2 Deputy P.V.F. Le Claire:

Is this not a role for the Jersey Financial Services Commission in some way?

Senator A.J.H. Maclean:

No, this is a matter for the Trading Standards part of the Economic Development Department to deal with. It is not a Jersey Financial Services Commission issue, although I should point out to Members - which I think I have done before - that these particular businesses are not licensed as they are in the U.K. The U.K. Office of Fair Trading operates a licence system and therefore there was a great deal more control than there is available currently in Jersey, hence my comment of progressing a consumer protection law.

3.18.3 Senator A. Breckon:

Just following on from that, I was going to ask the Minister about the system in the U.K.; obviously he is aware of that. But the question then is, does he think that by looking at that and perhaps referring it to the agencies that something can be done and something can be learnt from that?

Senator A.J.H. Maclean:

Yes, I do. I think that we need to bear in mind that any law of this nature needs to consider the nature of purchasing goods, which clearly the U.K. and the nature of the international market ensures that we should have a law that meets those standards. The U.K. Office of Fair Trading does operate a code of practice for debt collection agencies. It is basically a guidance document and I would imagine that if a code group is set up locally that that particular document would be of great assistance.

The Bailiff:

Do you wish a final question, Deputy Tadier?

Deputy M. Tadier:

Just to thank the Minister for his in-principle support and I will be in contact with the Minister with and including those industry professionals who are willing to progress this idea, and I hope for his continued support over the next weeks and months.