

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 17th NOVEMBER 2009**

Question

“Will the Minister use his powers under Article 6(4) of the Competition Regulatory Authority (Jersey) Law 2007, to request the Jersey Competition Regulatory Authority to investigate the level of water rates and charges of the Jersey New Waterworks Company Limited and to satisfy himself that the level of profits produced by its monopoly position is appropriate?”

Answer

Article 6 of the Competition Regulatory Authority (Jersey) Law 2001 states:

ARTICLE 6

Functions

(1) The Authority shall have such functions as are conferred on it by or under this or any other Law or any other enactment.

(2) The Authority may recognize or establish, or assist or encourage the establishment of, bodies that have expertise in, or represent persons having interests in, any matter concerning competition, monopolies, utilities or any matter connected with the provision of goods or services to which the Authority’s functions relate.

(3) The functions of those bodies shall include one or more of the following -
 (a) the provision to the Authority of advice, information and proposals in relation to any one or more of those matters;
 (b) the representation of the views of any one or more of those persons.

(4) The Authority may, on request by the Committee, provide the Committee with reports, advice, assistance and information in relation to any matter referred to in paragraph (2).

(5) The Authority shall have power to do anything that is calculated to facilitate, or is incidental or conducive to, the performance of any of its functions.

This allows the Economic Development Minister to request the JCRA to undertake investigations if the Minister feels there has been, or potentially could be, a breach of the Competition (Jersey) Law – 2005. Such matters include competition, monopolies, utilities or any matter connected with the provision of goods or services to which the Authority’s functions relate.

As Economic Development Minister I can only sanction a request under Article 6(4) of the Law if I have reason to suspect such a breach has, or potentially could have occurred. As I have received no complaints over the last 12 months from customers of the Jersey New Water Works Company, I have no grounds to sanction a request under Article 6(4) of the Law.

In addition, investigations can be undertaken by JCRA itself through the Competition Law 2005. Such investigations do not need any ministerial sanction or involvement. The JCRA has not received any complaints regarding Jersey Water in the past 12 months, and has therefore not instigated any investigations.

Should the Deputy be in receipt of any I would encourage him to pass them on to the JCRA so that they can be

properly assessed.