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Jersey Post has clearly been profiteering from their monopoly position for many years. A quick look through the last two years accounts posted on their own website show that they are working on near double digit net margins (in the last period reported they made profits of £5.9m on sales of £63m). There are very few companies, let alone postal administrations, anywhere in world working on this level of profit margin, and generally postal operators operate on margins between 1% and 3%.

Many local businesses suffered during the recession, however through the down turn Jersey Post took the decision not to help it customers - but once again increase its prices and of course its profits.

Post office branch closures are a red herring, Jersey Post has £13m cash in the bank, and overall funds of £20m. With this level of profit and cash reserves any decision to lay off staff is with the sole purpose to further increase profits.

By contrast looking at Royal Mails accounts for the same accounting period they had sales of £7.1bn and made a profit of £58m less than 1%.

Given Jersey Posts enormous profits, it is no wonder that it has attracted the attention of other Postal operators.

In summary, the only way a postal operator can achieve such high margins is if it has a monopoly and is abusing that monopoly.