

## **JOINT PRESS RELEASE FROM THE JCRA AND JERSEY POST**

1. The JCRA met with Jersey Post on Friday, 19 April 2002, in order to take forward the dialogue on the Industries Committee's draft Postal Law. Earlier comment suggested that the draft Postal Law would allow Jersey Post to get competitors to subsidise its service obligations to the community. In addition, it was suggested that efficient operators in the private sector would be burdened with shoring up possible inefficiencies of the incumbent postal operator.
2. Following the meeting, John Pinel, Chief Executive of Jersey Post said "There is a power in the draft Law for the JCRA to require a licensee to make a fair contribution to the cost of another licensee. Whilst this may be a concern to some, it is fair to point out that the proposed power lies only with the JCRA, not Jersey Post. Jersey Post could be a contributor rather than a beneficiary. It is certainly not a tax by Jersey Post."
3. John Pinel and Patrick McNutt confirmed that "Our mutual concern is for the future provision of value for money, quality postal services within Jersey. With this in mind, the JCRA have agreed to enter into a Statement of Corporate Intent with Jersey Post which will help them understand the market, and the needs of customers, users and the industry ahead of any Postal Services (Jersey) Law coming into force. This will mean that we can, together, be more effective at ensuring the provision of the best possible service to Jersey."
4. Jersey Post confirmed it is keen to work with the JCRA along with proper consultation with customers, users and others in the industry to ensure the very best postal services for the Island. John Pinel comments "We believe that this initiative will enable us to continue to provide value for money for our users, and avoid having to rely on subsidies or cutting services as other liberalised post offices have done. Sharing information about costs, prices and services with the JCRA will help us work together for the benefit of our customers, and everyone who relies upon the postal service. You only have to look at Consignia and PostComm to see the level of uncertainty over the future of postal services that can be created, we think the Statement of Corporate Intent is a useful initiative and the real winners will be the customers."

### **Notes to Editors:**

The consultation period on the draft Law closed on 5 April and a final version of the draft Law is expected from the Industries Committee shortly.

The Law as currently proposed will allow the JCRA to issue licences to providers of postal services up to a price limit of £1.30 per item or 500 g, whichever is the lower.