



PRESS RELEASE

JCRA'S RESPONSE TO THE CONSULTATION ON THE DRAFT POSTAL LAW (JERSEY) 200-

The Jersey Competition Regulatory Authority has published its response to the draft consultation on a draft Postal (Jersey) Law 200- on its website www.jcra.je.

The JCRA gives a warm welcome to the Law. Charles Latham, Executive Director said "It is an important step in bringing about the liberalisation of the postal sector on the Island. Countries such as Sweden and New Zealand that have liberalised their postal sector report quality of service improvements, increases in profitability and real reductions in prices. Jersey needs to catch up."

Whilst the JCRA gives a broad welcome to the draft Law, its main concern is the proposal to permit an incumbent to get competitors to subsidise its universal service obligations. The JCRA feels that efficient operators in the private sector should not be burdened with shoring up the possible inefficiencies of the incumbent operator. This concept is wrong in principle in that there should be a level playing field. However where the provision of services represents an unfair financial burden to an efficient operator, the JCRA is not averse to the proposal of setting up of a compensation fund.

The JCRA looks forward to continue working with the Industries Committee to progress this all important piece of legislation in order to bring about the liberalisation of the market.

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Note to Editors:

The Industries Committee has invited comments on the draft Postal (Jersey) Law 200- to be received by 5 April 2002. The purpose of the Law is to liberalise the postal market in Jersey.

For further information, please contact:

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