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**PRESS RELEASE**

**Competition and deregulation are crucial for strong and effective markets and reduced inflation, says Authority Chairman**

**They drive innovation and productivity and they help consumers get a good deal.**

The Chairman of the Jersey Competition Regulatory Authority (JCRA), Dr Patrick McNutt, has outlined how the introduction of competition throughout Jersey's industries is vital if Jersey is to remain competitive within a global economy.

Speaking at today's Jersey Chamber of Commerce luncheon, Dr McNutt stated that the draft Jersey Competition Law has the full support of the JCRA and he welcomes the shift towards the promotion of competition that it represents. The rationale behind the proposals lies in the process of economic reform and liberalisation occurring around the world, and that has now begun with the Telecommunications (Jersey) Law 2002. Dr McNutt described the framework for competition that the States has established as visionary. He said that the JCRA is determined to take this vision forward.

In all liberalized markets, the main incumbents seek to game the system and rig the rules, in the case of Jersey, however, the JCRA is working closely with JT. "On the world stage, there is a fairly broad agreement that competition should be introduced into regulated industries wherever possible on the well-established grounds that competition is the best regulator," Dr McNutt explained. He described the net benefits of deregulation and competition in telecommunications as the promotion of e-commerce, the reduction of inflation and cheaper phone calls.

"The pressing need for a Competition Law is reflected by the number of competition matters on the Island that are drawn to the JCRA's attention on a regular basis. The draft Law is a positive step towards framing a competition Jersey law that is in tune with the realities of modern transactions in the 21<sup>st</sup> century."

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Note to Editors

The JCRA Chairman, Dr Patrick McNutt, is an economist and was previously the Executive Chairman of the Competition Authority of Ireland.