



JCRA Media Release – 24 November 2011

Jersey Post to be allowed to increase stamp prices

The Jersey Competition Regulatory Authority (JCRA) is proposing to allow Jersey Post to increase stamp prices in 2012. The proposal is set out in a consultation being published today by the JCRA. The existing price control on Jersey Post ends in December and the JCRA is proposing a one-year extension.

The proposal to allow Jersey Post to raise prices follows the recent announcement by the UK Treasury that it is to remove Low Value Consignment Relief (LVCR) for imports to the UK from the Channel Islands from 1 April 2012. The JCRA is currently reviewing Jersey's postal sector for the Economic Development Department and will examine measures that the JCRA can take to help support the fulfilment industry in Jersey and support Jersey Post in providing the universal service.

“Clearly the threat to the fulfilment business is of concern. While we have always believed the ordinary postal service should be self-sustaining, we recognise that the short timeframe within which the rules on LVCR will change presents major challenges for Jersey Post. We need to ensure that Jersey Post can provide the universal service, which it is required to do under the Postal Services Law, and we believe this can be done through a combination of price changes and further efficiency savings from Jersey Post”, said John Curran, Executive Director of the JCRA.

The ultimate decision as to whether stamp prices will in fact increase (and if so, by what amount) will be taken by Jersey Post during the course of 2012.

The JCRA consultation on the proposed price control for Jersey Post is published on the JCRA website, www.cicra.je and is available from the JCRA's office by calling (01534) 514990.

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All enquiries should be directed to the JCRA's Executive Director, John Curran, on +44 (0)1534 514990.

Full report is on the JCRA website, www.cicra.je.

About the JCRA

The JCRA is an independent authority established by the States of Jersey to enforce Jersey's competition law and regulate its telecommunication and postal sectors. In each of these areas, the JCRA's primary mission is to promote consumer welfare through efforts that encourage lower prices and greater choice and innovation in the goods and services available in Jersey. The JCRA is recognized internationally as a leading voice in the application of competition law and policy in small economies.