



CICRA media release

8 April, 2016

Cost of landline services in Guernsey compares well with other small jurisdictions

The Channel Islands Competition and Regulatory Authorities (CICRA) has found that the costs of landline services in Guernsey, provided by Sure, compares favourably with other small jurisdictions.

Following CICRA's decision to open the exchange line market to competition in 2015, it has looked at whether it needs to continue to impose price caps on the incumbent Sure for landline services.

One of the issues CICRA looked at was how the prices currently charged by Sure for landline services compared against other small jurisdictions.

Sure's retail prices compare well with prices charged in a range of other jurisdictions including Jersey.

Chief executive of CICRA, Michael Byrne, said: "Regulatory oversight has kept pressure on Sure's landline tariffs to ensure it charges fair prices to local consumers.

"Competition in the fixed line market remains weak but there is no compelling evidence to force further price reductions on Sure.

"However we will continue to ensure that safeguards are in place for consumers so they receive a competitive deal on their fixed-line services."

CICRA has decided to freeze Sure's average price levels on landline services in real terms (i.e. after taking account of inflation) for the next three years. Individual services prices (installation, line rental or call charges) may go up or down but CICRA's control ensures average prices charged across the range of fixed line services are capped in real terms.

Price controls are a tool used by regulators to add constraints that healthy competition would otherwise provide.

“Despite regulatory intervention that now allows competition on fixed-line services, competitive alternatives in Guernsey are still less developed than in many other jurisdictions. As the regulator we will continue to step in on behalf of Guernsey customers.”

CICRA keeps markets under review and in the event that growth in competition reduces the need to continue with price regulation CICRA will consider removing the control.

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About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.

Cost of fixed line services

