

2019.01.15

10 Deputy R.J. Ward of the Minister for Economic Development, Tourism, Sport and Culture regarding the provision of a secure and reliable ferry service for the Island: [OQ.4/2019]

May I ask the Minister, given the Island's vehicle passenger roll-on, roll-off freight ferry service provider is reportedly for sale this year, will the Minister undertake an investigation into the States nationalising or taking a controlling interest in the service in order to ensure a secure and reliable ferry service for the Island?

Senator L.J. Farnham (The Minister for Economic Development, Tourism, Sport and Culture):

Condor Ferries forms part of the Macquarie Group and is operated by the Macquarie European Investment Infrastructure Number 2 Fund, which has matured in accordance with its predetermined lifespan. Condor is not yet formally for sale but we have been advised that a sale process will commence shortly. Until such time the company will continue to operate normally. It is predicted that the company will operate normally during and after the sale process. Of course, this is in line with the operating agreement agreed with the States of Jersey operated through the Harbour Master in 2014. Senior officers and I are in regular contact with both Macquarie and Condor and I remain confident that services to and from Jersey will not be adversely affected at all. A change in ownership of Condor will not affect the operating agreements, which have a 10-year lifespan. Subsequently, I have no plans to investigate nationalism of the company or ask the States to consider taking a controlling interest.

3.10.1 Deputy R.J. Ward:

Given the uncertainty of Brexit, does leaving the contract to the vagaries of the free market not expose Jersey to a further level of risk in terms of its passenger service at a time when tourism is increasing, we hope, and that we may be having to adapt very rapidly to changing supply lines? Subsequently, is this not the sort of thing we should investigate in order that we may be able to provide a more certain service and it is the work to investigate that process that the question is about?

Senator L.J. Farnham:

The short answer is, no, we do not anticipate there being the ownership of the shipping company having any impact at all on the logistics during the uncertainty of Brexit. The very close working relationship between Condor and Macquarie and the States of both Jersey and Guernsey means that we are well prepared for any eventuality. I think it is important to let the Assembly know that we are in talks about a reconfiguration of the fleet in the not too distant future, to provide a more robust contingency process in the case of one of the passenger ferries being out of service during peak times. That involves replacing the RoRo ferry with another RoPax ferry, so that is having 2 Clippers instead of a Clipper and the Goodwill in language that we might understand. Of course, Members will also know that the lifeline services that the Channel Islands refer to in their agreements with Condor relate to a freight. I am pleased to say that the freight service, with the exception of prolonged bad weather, has been running successfully and continues to do so. Condor do bring in additional charter vessels to cover eventualities. A detailed process of back-up has been planned over the Brexit period to assist with any delays that might happen in the U.K. ports.

3.10.2 The Connétable of St. Brelade:

I am not sure if the Minister in fact did confirm or not but would he confirm to Members if his department has in fact been having discussions with Guernsey on this very subject?

Senator L.J. Farnham:

Yes, we have.

3.10.3 Deputy K.F. Morel:

A very similar question: could the Minister confirm whether he has liaised with his counterparts in the States of Guernsey with regards to the sale of Condor to ensure that Jersey and Guernsey are singing from the same hymn sheet, have the same aspirations, as far as the sale is concerned? If so, can he confirm whether Jersey and Guernsey do indeed have the same aspirations?

Senator L.J. Farnham:

I am due to meet again shortly with counterparts in Guernsey in February in this matter. It will be high up on the agenda. We have broadly similar interests but we have slightly different interests as well in relation to wanting to get the best deals for our individual islands. Our sister island is slightly more to the north, so they benefit more from day-trippers, whereas we benefit more on the southern route. There is a little bit of juxtapositioning but it is a healthy tension, if I may add. But my own view is that the Channel Islands need to be well served by air and sea links because there is no point Jersey benefiting and Guernsey not or *vice versa* because together in these issues we are stronger and we will benefit more.