

2016.03.22

3.15 Deputy R. Labey of the Minister for Economic Development, Tourism, Sport and Culture regarding the safety issues which resulted in a detention order being served on the Condor Liberation on 15th March 2016:

What action, if any, does the Minister intend to take to establish whether the safety issues which resulted in a detention order being served on the Condor Liberation on 15th March 2016 were picked up by the Condor-commissioned seaworthiness review of the same vessel last year and, if they were not, would this be a cause for concern?

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

The technical review conducted by Houlder and released publicly in October 2015 was for a different purpose on normal mechanical and safety monitoring which happens periodically to all vessels. The Houlder review was commissioned as part of Liberation's inaugural year to review the safety, suitability and performance of the vessel. As with all shipping companies, Condor and the Condor fleet are subject to a rigorous regime of safety monitoring. This is based on international standards that are monitored by a world-class classification society and highly-regarded red flag state, the Bahamas. These standards are also checked on a regular basis by port states which include the U.K., France, Guernsey and Jersey. The joint E.U. (European Union) and U.K. Port State Control inspection conducted last week by the M.C.A. (Maritime and Coastguard Agency) and Affaires Maritimes identified a number of issues which needed to be corrected. As of Friday evening, 18th March, the vessel was cleared to resume operations. The M.C.A.'s re-inspection of the Liberation on Friday evening followed clearance by both flag state and classification society and was also attended by Port State Control inspectors from Guernsey and Jersey who subsequently confirmed that they had no concerns with the vessel. I would like to add that I too am completely satisfied that the vessel is safe and seaworthy and that appropriate controls are in place, as have been proved by these issues being detected and dealt with quickly and effectively.

3.15.1 Deputy R. Labey:

I would like to thank the Minister for that assurance and for that information. Reliability and customer service relations of course still remain a major concern. The Minister said he is going to get tough, what advice has he taken on a Plan B?

Senator L.J. Farnham:

This has been an extremely challenging situation, not just politically, but for the company and very testing for the travelling public. The Chief Ministers of both Jersey and Guernsey and my counterpart in Guernsey met with Condor last Friday and agreed a comprehensive review of their procedures and we are going to continue to meet monthly to monitor progress and receive detailed updates. Both governments at that level are looking at Plan Bs. When I say "Plan B", they at the moment revolve around resolving the problems and challenges faced by Condor.

3.15.2 The Connétable of St. Helier:

I asked a question of the Minister a few sittings ago about whether he feels this uncertainty is affecting tourism bookings. Is the Minister as confident as he was that the problems with Condor are not affecting the bookings of tourists who want to come to Jersey?

[11:30]

Senator L.J. Farnham:

No, I am not as confident as I was but I am still confident that Condor will find a solution. As Members will know, I have spent most of my political career championing tourism, which makes this especially frustrating for me, but I am in close communication with the Ports of Jersey and Visit Jersey and travel and tour operators. Although it is considered there is an impact now on tourism, it is still very small, but all of the visitor economy and all of the sectors are committed to working with Condor to getting this right.

3.15.3 Deputy M. Tadier:

I think, like many members of the public, I find myself wondering how poor the service needs to get with Condor before some change is brought about, so the question to the Minister with that in mind is: could he envisage a scenario where a different service provider would be engaged in the near future and, if so, what would that scenario look like?

Senator L.J. Farnham:

It is very hard to say at this stage because to put in place something that looked like what the Deputy is suggesting would require - and I know it is hard to understand - a lot more disruption to the Condor fleet. I have made no bones about it that, in my view, the only Condor-based medium to long-term solution to this problem is a reconfiguration of the fleet. Because the fleet in its current format, when it works, works well, but when there is a problem it lacks the number of ships to be able to provide the proper contingency and back-up, and that is the number one challenge for Condor. I just wanted to say, at the risk of being repetitive, the comprehensive service review, which is now underway and has been brought forward by a year, will address those problems and hopefully provide the solutions and the answers to enable Condor to invest in the fleet further.

3.15.4 Deputy M. Tadier:

Sorry, I should have probably asked a more concise question: can the Minister confirm what latitude the contract allows and what circumstances the contract signed with Condor allows for the contract to be broken and a new service provider engaged?

Senator L.J. Farnham:

Either party can break the contract at any time and there will be a financial penalty for doing that. That financial penalty, as I stated before, is up to £20 million, but that was certainly not in the Island's best interests, and my main priority, in the short term at least, is to ensure that the Islands have a fit-for-purpose, reliable ferry service that the public has confidence in. But it is not just that; I would like to say thankfully the lifeline freight side of the business has been very stable, and that is arguably more important than the passenger service.

3.15.5 Deputy R. Labey:

The Minister has said there is, and will be, an impact on tourism; at the moment it is very small but would he agree that a very small impact on tourism could be catastrophic for smaller guest houses and restaurants, *et cetera*? Are we going to continue to monitor this and measure this and how bad does it have to get before we take drastic action?

Senator L.J. Farnham:

I am not sure that drastic action, although available to us, would be to the benefit of the hospitality sector. We could take drastic action, we could say to Condor: "That is it, we have had enough" but then we literally would not have any more boats in the near future. Fortunately, we have very strong air links and the airlines most certainly are benefitting, if that is the word, from this problem because a lot more people are choosing to fly at the moment. I want to reverse that trend and I

want to see our visitors and our people getting more confidence in the boats and getting back on the boats coming to and from the Island and its neighbouring countries.