WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT BY SENATOR B.E. SHENTON

ANSWER TO BE TABLED ON TUESDAY 5th JUNE 2007

Ouestion

Would the Minister advise the Assembly about the exclusive retail and catering agreement which exists at the Airport and explain whether this contract contravenes the Competition (Jersey) Law 2005? Would he further advise members of the anticipated total cost of the changes to the Departure hall, and whether research was undertaken to ascertain whether the loss of revenue from the non-travelling public would be offset by increased expenditure by travellers?

Answer

The Airport is currently liaising with the Jersey Competition Regulatory Authority (JCRA) on the Alpha contract to address any issues relating to Competition Law. At this stage, until the JCRA has concluded its findings, I am not in a position to elaborate any further.

To the second question regarding the new security arrangements, I have publicly stated the cost of the works as being £700,000. This includes the Airport's works to install the partition between the new landside and airside areas and around the new security area, the installation of new toilet facilities in the landside area of the departures hall, services such as electricals and plumbing, and improving the amenity of the landside area to include new flight information boards, redecorating and signage. This funding for these works has been allocated from the Airport's trading account.

The changes were instigated following extensive consultation with the airlines, ground handlers and retailers, and furthermore were based on best practice at like airports internationally. While the recent enhancements have been principally led by necessary improvements to security processes, the Airport recognised there would be incremental revenue benefits from retail operations. I am pleased to report that overall retail sales at the Airport have not been negatively impacted; on the contrary, there have been gains in all areas, including the arrivals section of the building. This is consistent with earlier projections.