

3.3 Deputy J.M. Maçon of St. Saviour of the Minister for Economic Development, Tourism, Sport and Culture regarding the contract with condor Ferries: [9734]

Will the Minister activate the break clause in the contract with Condor Ferries and put the operation of the ferry route out to tender, and, if so, when; and if not, why not?

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

I assume the Deputy is referring to the option contained within clause 6 of the current operating agreement. Clause 6 contains the option to activate a 3-year wind down on the 7th anniversary of the commencement date within which time the States would have to identify a replacement operator. While there have been operational difficulties with car and passenger services following the introduction of Condor Liberation, our lifeline freight services on which we all heavily rely, have continued to operate at almost 100 per cent reliability. It is perhaps worth mentioning to Members Condor's freight operated without a single breach of service during the recent storm, for which credit is due. The recently published comprehensive service review establishes a basis by which additional capital investment by the operator - and I stress "by the operator" - could be made. The Deputy asked me why not, and that is because I am committed and remain committed to working with Condor and our colleagues in Guernsey to secure a long-term sustainable and commercially viable car passenger and freight service to and from the Island.

3.3.1 Deputy J.M. Maçon:

We have seen in the headlines that the possible introduction of subsidies on the ferry route might be a way forward in order to secure the sustainability of the ferry. Can the Minister please outline his position on subsidising the ferry route service?

Senator L.J. Farnham:

I think that is one of the problems with giving too much attention to headlines. The headlines are not always representative of the actual facts. I have distributed the comprehensive service review, a copy to all Members, and there is a meeting next Tuesday afternoon with the Chief Executive Officer of Condor to answer any questions. There are no plans for subsidies and my position at this moment in time, and is likely to remain during my tenure, is: I would not be supportive in any way shape or form of offering a subsidy to Condor.