

Our ref: HLC/AL

2 September 2010

Dear Sirs

RE: COMPETITION, LICENSING AND REGULATION IN THE CAR AND PASSENGER FERRY MARKET

As the port authority, Jersey Harbours clearly has an interest in the car and passenger ferry market for the Island and we welcome this consultation and the opportunity to contribute to the discussion.

Jersey Harbours is a trading operation of the States of Jersey responsible for the administration, management, operation, financing, development and maintenance of the harbours of Jersey and their associated facilities. This includes the provision of the lifeline link for the Island's visitors and local residents travelling by sea, and freight imported and exported, and ensuring sufficient surplus is generated to allow strategic long term investment and a return to the States of Jersey.

Our primary concern is to ensure that we are able to comply with all policy and objectives set for us by the Minister and States of Jersey – both as the port authority and as a States Trading Operation.

As the Port Authority, we would ask that during the consultation process, the Department is cognisant of the objectives set for the Harbour Master in Schedule 1 to the Harbours (Jersey) Regulations 1962, as amended, which require the Harbour Master:

- 3 (a) *to protect and further the long-term interests of end-users of the services and facilities;*
- (b) *to satisfy all current and prospective demands for the services and facilities;*
- (c) *to promote competition, efficiency, economy and effectiveness in commercial activities connected with port and shipping services;*

- (d) to impose a minimum of restriction on persons engaged in commercial activities connected with port and shipping services;*
- (e) to ensure that persons engaged in commercial activities connected with port and shipping services have sufficient expertise and financial and other resources to conduct the activities.*

The Schedule provides that the Harbour Master must not show undue preference or unfairly discriminate in exercising a function to which the Schedule applies.

As a Trading Operation, Jersey Harbours is responsible for the funding of all the capital requirements of the port through income derived from users of the port, and concerned with the replacement and maintenance of the car and passenger port facilities that are funded through harbour dues paid by the passenger operators (and likewise for freight services and facilities).

Our primary concern in this regard would be the protection of the long term viability of the service. We would be concerned with the stability of both the level and reliability of income to provide for on-going capital expenditure required to maintain the facilities required to keep the passenger ferry facilities open and safe.

We are also interested in ensuring that any new operators to the market could provide stability of operation which allows us to plan for pilotage requirements, port opening times and traffic throughput during busy peak periods, without loss of revenue or resilience of service.

We look forward to seeing the results of the consultation and would be more than happy to discuss further any of the issues raised in this letter.

Yours faithfully



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Chief Executive & Harbour Master

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CC – Senator P Routier, Assistant Minister, Economic Development