

2025.08.09

3.20 Deputy K.M. Wilson of St. Clement of the Minister for Sustainable Economic Development regarding the economy in the Summer season (OQ. 197/2025):

Further to reports of the difficulties encountered by the visitor economy earlier in the year, will the Minister explain whether that economy recovered and performed as expected over the summer season and will he also state whether it is his assessment that the measures in place to attract visitors during the autumn shoulder months will sustain the visitor economy into next year?

Deputy K.F. Morel of St. John, St. Lawrence and Trinity (The Minister for Sustainable Economic Development):

I thank the Deputy for her question. The visitor economy has faced many headwinds over the last 4 or 5 years. That started at Brexit, it moved most clearly into COVID, and now is having to cope with price rises in its structure as well, such as obviously increasing wages and such like. On top of that we are seeing consumer demand fall in jurisdictions that would normally feed business to Jersey in terms of visitor accommodation. In a sense, has it been where I would like it to be? The answer is a quite simple no. I would like to see more tourists come to Jersey than we have had. But I am pleased to see that there are signs of recovery and that there are signs that the work we are doing, and I work incredibly closely with both the Chamber of Commerce and the Jersey Hospitality Association and Visit Jersey, I am constantly in contact with them to try to find ways to create that stronger base for the future. We are seeing that increasing visitor numbers from the U.K. have come by sea; 4 per cent higher than last year in 2024. Yes, we have seen a fall-off in French, particularly day-trippers coming to Jersey, but that obviously does not affect the hotel industry. We are seeing across the U.K. market a U.K. market that is weak. Ireland, their first quarter fell by 23 per cent in terms of visitors from the U.K. What we are seeing is many headwinds. But what I am committed to is continuing to work very, very closely with all the concerned associations and parties. I know it is difficult. It is something that vexes me and that I work with on a daily basis to try to make sure that we are doing everything we can to sustain Jersey's visitor economy, not just for this year, not just this autumn but long into the future.

3.20.1 Deputy K.M. Wilson:

I thank the Minister for his response. He provided some valuable insights into some of the challenges there. But I just wondered, could he provide us with some more content as to what specifically is the Government doing to address the downturn in the economy at this time, in the visitor economy at this time?

Deputy K.F. Morel:

Naturally when Government responds to what it is doing it tends to look to the money that it is spending. I have said these things in previous Assemblies but I will do so again. We have provided over the 2 years - that is this year and next year - £4 million in extra funding for Visit Jersey; that is on top of their base budget. We have seen £2 million over those 2 years also sent to Ports of Jersey to secure new air routes. We have obviously through Visit Jersey ... they choose where to put their funding and they choose the types of engagement they wish to engage with. They have obviously chosen "Bergerac" and that is with the support of the Council of Ministers. On top of that later this month I hope to be lodging the new Alcohol Licensing Law, which is aimed very much at reducing barriers to business. We have reduced the *de minimis* threshold which lies in the G.S.T. (goods and services tax) refund scheme. That is an attempt to show Jersey as a lower-priced destination because price is a big problem in Jersey; price is probably the main problem that we have. We have also reopened the Visitor Information Centre and we have had trialling of free entry at Jersey Heritage sites, such as the Jersey Museum, which drives footfall there. As I said at the last Assembly, I have very much spoken with the J.H.A. (Jersey Hospitality Association) and created a working group that meets monthly. Also working with the Chamber of Commerce and we are looking particularly at data on that side of things. They are just a few of the things we are doing. That is not even talking about heritage investments which run to the many millions, which are also designed to increase Jersey's attractiveness as a destination.

3.20.2 Deputy I. Gardiner of St. Helier North:

Minister, I am sure that you are aware about *Critical Infrastructure Resilience - Transport Links* report that was published by C. and A.G. (Comptroller and Auditor General). When I looked through the report I found that in 2024 expectations for sea passengers by the Ports of Jersey in their strategic plan was just under 500,000 arrivals. But within the report C. and A.G. confirmed that during 2024 we had only 272,000 passengers arriving through Jersey's sea routes and more than half the visitors coming from France. Would the Minister consider to review strategic plans compared to the reality and what steps can be taken when we have this disparity between planned and arrivals?

Deputy K.F. Morel:

I think it is really important that we understand that the customer is changing. We have seen a big shift, a very large shift from sea arrivals to air arrivals; that is something which is changing almost on a daily basis. That is one of the reasons why you are seeing those changes. I do worry obviously because I know that the ferry decision that I made is something which so many people want to maintain as an issue. I do worry that people try to look for that one thing which is the cause of all the problems. As I have just listed, there are many, many reasons why we have had a more difficult season this season. But I think it is very important that we understand that there is change in our customer base, there is change in Jersey's cost base, and there is change in literally the money available to people. One of the things we are seeing is a much, much later booking situation and that is one reason why Visit Jersey's autumn campaign has been working.

3.20.3 Deputy I. Gardiner:

Minister, it is 2024, it is before any ferry situation. My worry that we are thinking about development, for example, the redevelopment of the ports which is thinking will bring new clients, when we are not getting into almost half of the arrivals without any ferry situation. What is the assessment we need to do for our future Jersey product?

Deputy K.F. Morel:

It is very interesting because I spent a lot of time thinking about the port redevelopments and I do wonder ... not so much just on a tourism front because I do not think a new terminal will ever bring more passengers. It is, what is the port there for? I think our port could do a lot more and probably does need to do a lot more into the future, rather than just passengers and freight. It should be looking at marine engineering and the such like service, and it already is servicing offshore windfarms in other places. I always am prepared and continue to keep strategic plans under review. As I said, in my case I am working constantly and consistently with the trade associations in regards to hospitality so that they can see we are working together co-operatively to try to ensure that tourism remains a key industry for Jersey, because it is a key industry for Jersey that maintains not just itself but maintains Jersey's connectivity as a whole.

3.20.4 Deputy M. Tadier of St. Brelade:

Would the Minister also seek to speak to the wider commercial business and retail community in St. Helier? I am sure the Minister, like me, will have been to places like Dinard, all sorts of small towns in Brittany, where shops stay open - surprise, surprise - well even after 6.00 p.m. and that you can buy ice creams even after 8.00 p.m. at night and there are crowds of people. Even on Sundays you cannot differentiate which day of the week it is when you are in Saint-Malo in the summer and even into the shoulder months. Is there a wider conversation that the Minister would be willing to have about how we make sure that not just St. Helier but that Jersey is open for business for locals, for business visitors and for tourists alike, certainly in the summer but all year round?

Deputy K.F. Morel:

I think that is an absolutely fascinating and very valid set of perspectives by the Deputy. We have - and it was under my predecessor, now Chief Minister - effectively, got rid of most of the opening hours restrictions, the vast majority of them. It is not legal barriers that are stopping that taking place, it is commercial barriers that are stopping that taking place. I will more than happily engage with any

retailers to see what else can we do. This is the one of the things an events programme in St. Helier is so important for because that brings people to town out of hours. None of this is easy but I could not agree more, that when you visit Saint-Malo, when you visit Dinard and Dineault particularly you see these small towns but they are open, not all year round but they are open certainly throughout the summer to a great extent. But there are vast discrepancies in the numbers; 3 million visitors visited Saint-Malo, I believe, roughly last year or the year before, Jersey I think has come to 700,000 visitors.

Deputy P.F.C. Ozouf of St. Saviour:

I think given time, Sir, I will not.

3.20.5 Deputy K.M. Wilson:

I accept that the Minister has previously stated some of the interventions to turn the visitor economy around. But given what he has just said about the change to the customer and cost base, what is it that he and his team believe they need to do differently to improve matters?

Deputy K.F. Morel:

I do not believe it is something that Government needs to do differently. I think it is something that Government working with the industry needs to just consistently be very honest and open with each other. I think we need to understand that Government cannot run a business, and Government cannot run an industry. What Government can only do is enable those businesses to have the best platform upon which to thrive commercially; that is what I will continue to do. I mentioned the Licensing Law; that is part of it. The events legislation that we are working through at the moment is exactly designed to do the same sort of thing. It is about enabling businesses to thrive. It is not about Government doing it because Government cannot run and should not run businesses.

The Bailiff:

There is a possibility of maybe one question and one answer.