

# Your Weekly Business Bulletin from Thanet & East Kent Chamber

## Thanet & East Kent Insider

22<sup>nd</sup> January 2011 Issue No.: 140

### 1. Finland Calling

In liaison with our sister Chamber, the Dover District Chamber of Commerce, we will shortly be meeting senior officials from the government of Finland. If any Chamber member has had commercial relations with a Finnish company, is currently working with a Finnish company or would like to work with a Finnish company, please email urgently the details of your interest to [admin@tekc.co.uk](mailto:admin@tekc.co.uk) with the subject line "Finland". The UK is the fourth largest trading partner of Finland after Germany, Russia and Sweden, comfortably ahead of the United States and China. Although blessed with a population of just 5.35 million, there is an affluent market of domestic consumers and a comparatively flourishing electronics sector headed by Nokia; a key reason perhaps why the statistics reveal more than one mobile telephone per inhabitant. The percentage of manufacturing companies is approximately twice that of the UK. Thanks in part to generous reparations received after WWII, the native shipyards have taken full advantage of the decline in UK shipbuilding and now lead the world in building cruise ships. The world's largest passenger ship, Allure of the Seas, left Finland for her home port in Florida last October and began her maiden voyage last month. She joined her sister ship Oasis of the Seas in the fleet of Royal Caribbean International. Each vessel measures just less than 362 metres in length. It was discovered recently that Allure is in fact five centimetres longer, not a lot between two sisters listed at 225,282 gross tonnes apiece.

### 2. How Are We Doing?

The ever excellent Research and Intelligence Unit at Kent County Council informs us that unemployment in Thanet has fallen by 5.6% over the last year. Any jumping for joy should be restrained by the realisation that Great Britain enjoyed a 10.6% fall in the twelve months to December 2010 and the South East an even better 19.4%. Against the trend, unemployment in Margate Central ward increased by 6.2% and in Cliftonville West by an even more disappointing 11.1%. Of the Thanet wards with at least 100 registered unemployed, the star performer was Garlinge where daytime television has lost 27% of its available daytime television audience compared to a year ago. Good news for Garlinge, bad news for Jeremy Kyle. The full picture for East Kent is listed below.

	December 2010		Change since December 2009	
	Unemployed	% of workforce	Number	%
Ashford	1,782	2.5%	-155	-6.3%
Canterbury	1,981	2.0%	-393	-20.0%
Dover	2,150	3.3%	-285	-15.7%
Maidstone	2,113	2.2%	-331	-13.5%
Shepway	2,462	4.0%	-157	-6.4%
Swale	3,025	3.6%	-260	-8.6%
Thanet	4,074	5.2%	-230	-5.6%
Kent	31,193	3.0%	-4,171	-13.4%
South East	127,821	2.4%	-24,808	-19.4%
Great Britain	1,368,310	3.5%	-145,611	-10.6%

### 3. Railing Against Rail?

The Thanet & East Kent Chamber has received much comment on the High Speed link. Most Chamber members appreciate the comfort of the carriages and welcome any investment in our transport infrastructure. There are nonetheless some serious concerns about many aspects of the service. As the

High Speed link has now been operating for over a year, the Thanet & East Kent Insider is reviewing the case for and against. Since our mission in life is to boost the businesses within our membership, we cannot be regarded as an independent authority. But, as the largest business support body in the area, the Chamber is duty bound to reflect the views of the private sector in our corner of East Kent.

#### **4. Give Me The Facts**

Here are the weekday journey times from selected East Kent stations for High Speed trains arriving at London St Pancras between 0800 hrs and 0900 hrs.

Fastest Weekday Journey Times To London Arriving 0800 – 0900 hrs.

<b>From</b>	<b>Depart</b>	<b>Arrive</b>	<b>Minutes</b>
Ashford	0813	0848	35
Birchington	0710	0836	86
Broadstairs	0650	0819	89
Canterbury West	0746	0848	62
Dover Priory	0738	0848	70
Faversham	0734	0836	62
Folkestone West	0752	0848	56
Herne Bay	0725	0836	71
Margate	0705	0836	91
Ramsgate	0726	0848	82
Sittingbourne	0742	0836	54
Whitstable	0725	0836	71

*See Southeastern Trains Timetable for period 12 December 2010 – 13 May 2011*

#### **5. Who Is The Operator?**

The High Speed train service is operated by Southeastern Railway Company.

#### **6. Who Is The Real Owner?**

Southeastern Railway Company is owned by the Govia franchise.

#### **7. Yes But, No But, Yes But Who Is The Real, Real Owner?**

The Govia franchise has two shareholders; the Go-Ahead Group 65% and Keolis 35%. Govia describes itself as “ It’s a unique franchise, bringing together under one operator the existing classic rail network and the new high speed domestic services on the Channel Tunnel Rail Link. Which were fully launched in December 2009.” See <http://www.govia.info/>. The poor grammar may betray the non-native speaker background of Keolis, described elsewhere on the website as: “currently owned by AXA, through AXA Private Equity, and the Caisse dépôt et placement du Québec (52%), SNCF (45.5%) and key Keolis managers (2.5%).” Voilà, there are quite a few French speakers in that lot which makes it a pity perhaps that there is not a restaurant car on the line from East Kent to London St Pancras.

#### **8. What Are The Good Points?**

We rely on Southeastern Railway to tell us the main advantages of the service. In a press release to coincide with the first anniversary of the service, Southeastern’s Managing Director Charles Horton expressed his satisfaction with the performance of HSI over the previous twelve months: “The overall success of the service is testament to the strong industry partnership working with Hitachi, HSI and

Network Rail. The first year has been very encouraging and we are looking forward to more and more people discovering the benefits of travelling by High Speed.” This view is shared by HSI’s MD, Paul Chapman, who adds: “It is only with positive cooperation between HSI, Southeastern, Hitachi and Network Rail (CTRL) that we can offer passengers such high levels of performance and reliability on the high speed line.” The same press release continues: “Passenger feedback is extremely positive and reliability performance is strong and continues to grow.”

## 9. How Big Is Southeastern?

The company has a workforce of 3,500 people serving 179 stations carrying 400,000 passengers a day on 400 trains producing 156 million passenger journeys a year.

## 10. What Do The Critics Say?

There is much concern about the rise in ticket prices and the benefits of HSI for the citizens in Thanet, Deal and Sandwich. Roger Gale MP for North Thanet has stated publicly that he is very much in favour of improving transport links to his constituency but finds great difficulty in supporting HSI under its current management. As he put it recently: ” I really would like to applaud High Speed One but I suspect that I shall be pushing up daisies before any real benefits accrue to those whose interests I try to represent.” In a statement issued just before the first anniversary, he wrote: “A year on, then, my view is that High Speed One has been brought about at inordinate cost and waste, to the benefit of a very few and to the detriment of the many who are paying for it but who wish to use other services. Dick Turpin would have been amazed.” A subsequent meeting with Charles Horton did not satisfy his objections as he wrote later: “I questioned Mr. Horton as to the justification for a wholly unacceptable 12.8% fare increase heaped on top of three years of already above average increases. The response appears to be that ‘we have to take a market judgement’ which seems to me to be a euphemism for ‘We’ve got a captive clientele in East Kent so we are holding them to ransom to pay for the “High Speed” trains and for reductions in subsidy”’. He added subsequently for good measure: “I have made it clear to Southeastern that I will, personally, oppose any renewal of their franchise. Whether that view will find support in the House or within the DfT I know not but one thing is certain: we cannot continue in this climate of “more for less” payment.”

## 11. Are Thanet Towns Well Served?

Another way of looking at the table in 4 above is to list the data by journey time.

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Whitstable	0725	0836	71
Ramsgate	0726	0848	82
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Broadstairs	0650	0819	89
Margate	0705	0836	91

Is the East Kent coastal business community well served by comparison with Ashford, Sittingbourne and Canterbury? You can decide.

## **12. What About The Performance?**

The performance of Southeastern in the period from 12th December 2010 to 8th January 2011 shows an average punctuality of 72% or to put it another way, 28% of the trains did not arrive on time. The annual average punctuality is quoted by Southeastern as being 82.6%, fractionally above a less than demanding threshold of 82% below which refunds have to be paid to season ticket holders. By international standards, such performance is unlikely to win any accolades from those in the know. The performance statistics of Central Japan Railway Company on the Tokyo/Osaka line show an average delay of just 30 seconds "including delays caused by uncontrollable reasons such as heavy rain, typhoons and heavy snowfall". Bearing in mind that this company has been operating High Speed services across an earthquake zone since 1964 with no fatalities or injuries from crashes or derailment, there might be a reason to doubt the assertion by Govia that "it's reassuring to know we're directly linked to the best in the world", see [www.govia.info/doc/keolis/index.html](http://www.govia.info/doc/keolis/index.html).

## **13. Can Southeastern Provide A Station At Manston?**

There is undoubtedly an anxiety among local companies that Manston Parkway Station may not materialise in the near future. Cllr Clive Hart, Leader of Thanet Labour Party, wonders how even the current 81 minute journey time to Ramsgate can be maintained if Manston Airport gets the station the local economy so badly needs. As Clive puts it: "Basically we cannot understand how an extra station can be inserted into the route, with all the delay that slowing down, stopping, restarting and speeding up again, can possibly save ten minutes in the journey from London to Ramsgate." The airport station is a key element in the Growth Without Gridlock plans of Kent County Council and provides a ready solution for objectors to Boris Johnson's plan for an airport in the Thames estuary. This particular island of eccentricity resurfaced again last week before it was swamped with waves of criticisms from business leaders who know better. Cllr Rodney Chambers, the Leader of Medway District Council, was quoted by the BBC as saying: "It has already been rejected by the government and the aviation industry - with nine out of 10 air carriers saying they oppose the scheme." With colourful imagery, he continued: "I believe it is time that Boris Johnson realises that his pie-in-the-sky Thames Estuary airport plan will never get off the ground." By contrast, the expansion of Manston presents seems to attract widespread support from the business community.

## **14. Can I Take A Train From Ramsgate to Beijing?**

The short answer is "Not yet". There are indeed the bare bones of a plan to link London King's Cross to Beijing by rail with optimists quoting two days for the 5,000 mile journey. Asia News reports that work is to start shortly on the building of the first stage, a rail link from Yunnan province to neighbouring Burma. Starting at Kunming, the capital of Yunnan province, and ending in Rangoon, Burma's largest city, the track will be 1,200 miles long. According to Wang Mengshu of the Chinese Academy of Engineering and a professor at Beijing Jiaotong University, the line is part of a project to boost cooperation between China and Southeast Asian nations with the stated objective to "enhance the economic development of China's western regions." China is also looking for a more efficient way of transporting the raw materials required by its rapidly expanding manufacturing industries. Earlier this year in a statement of intent with implications for anyone in the shipping industry, Mr Wang said: "We are aiming for the trains to run almost as fast as aeroplanes." In a hint about financing arrangements, he said: "We would actually prefer the other countries to pay in natural resources rather than make their own capital investment." There is no reason to book your rail ticket yet, but we will keep readers fully informed.

## **15. Final Word On Trains**

We are grateful to one Chamber member who relates an account of a recent encounter with a ticket collector on a train travelling to London Victoria. We have our doubts about this story but we leave it to you to judge for yourself.

“I was feeling frustrated as the train was at least fifteen minutes behind schedule and I had an important meeting in the City which I just couldn’t afford to miss. When the ticket collector came into our carriage, I remonstrated with him and said finally: ‘What on earth is the use of having a timetable if your trains never follow it?’ With a weary smile on his face that must have betrayed at least twenty years of dealing with every type of awkward passenger, he turned to me slowly and said: ‘But look at this way, sir, how would you even know the trains were late if we didn’t have a timetable?’ I could hardly argue with that, could you?”

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Thanet & East Kent Chamber Limited

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