

Brexit Britain will be the 'new Montenegro' says Dingle

Addressing Cruise Britain's first formal business event during a trip along London's River Thames, Carnival UK chairman David Dingle spoke of Britain as a 'leading cruise nation with a very healthy and fast-developing cruise economy.'

As a source market, 'we have recently enjoyed a steady annual growth rate of around 5% and will for the first time exceed 2m passengers this year - 7% of the world's cruise guests and 28% of Europe's.

'There is little doubt that we can absorb more capacity, given that in the last eight years there has only been one new ship built for Britain,' he told CruiseBritain members and cruise line executives gathered on board a private Thames Clipper vessel as it sailed upstream.

Five new ships for Britain

'In the next four years we will see two new P&O Cruises ships, each with 5,200 lower beds, a new 3,000 bed Cunard ship and two new ships from Saga. These five ships will add 15,000 new beds, 90% of ships will be sold in the UK. Depending on duration, this suggests that our outbound cruise market will have grown by 500,000 passengers by 2022, before adding in the inevitable increase in British guests on non-UK ships,' he added.

'At least commensurate with the expansion of the UK outbound cruise market, and probably somewhat faster, is the growth in cruises departing from here, which has averaged 6% annually in the last decade. Last year, 1.1m people chose this option, and Southampton is now Europe's busiest turnaround cruise port.

Europe's fastest growing inbound cruise destination

'Most impressive of all has been the growth of the UK as a cruise destination,' Dingle remarked.

Last year over 1.4m transit calls were made at UK ports - ten years ago the figure was a mere 356,000. That's average annual growth of 17%, and although against a lower base figure, 'no European country is growing faster as an inbound cruise destination.'

Much of the growth in Round Britain cruises, especially amongst Americans, and the increase in cruises from continental North European home ports, bringing many Germans and other Europeans.

Don't plan any berth less than 350 meters

Dingle said, 'Whilst plans for new berths are to be commended I continue to worry about under-sizing. The main opportunity is to provide berths for the very largest cruise ships now being built, of which there are many. If your new berth plans are for anything less than 350 meters in length, I recommend that you rethink the project.'

Brexit - 'an own goal'

As if on cue just as the boat passed by the Houses of Parliament Dingle said, 'It would be remiss of me to overlook that most ludicrous of own goals, Brexit.'

He posed questions: 'Can the agreed deal be sold to Parliament? Will there be no confidence in the Government, leading to an election, and even if there was one, would it make any difference? Is Parliament any more likely to agree to a second referendum than to the deal currently on offer? Could Article 50 be delayed? And most importantly for us, does all this make much difference for the cruise

industry?'

In the case of a negotiated settlement, the answer is probably not, added Dingle. 'There may be some bother around seafarer certificate equivalency and the conditions for bringing new EU nationals into the UK to work after Brexit. Travel insurance could become more expensive as EHIC cards become invalid, and it would be a nuisance if the UK was included in the European visa waiver scheme.'

He offered, 'A no-deal Brexit may well be a whole lot scarier, particularly in the early days if negotiations which go to the wire fail and there are no temporary measures in place.'

Dingle suggested the only positive to come from Brexit: 'As the UK will become a third country, it will be out of the EU VAT net and therefore be able to attract more calls as it will fulfil the requirement for a non-EU country in an itinerary in order to avoid VAT on goods and services consumed on board. Indeed it will be the new Montenegro,' he quipped.

The business networking event continued with 30 CruiseBritain members, each giving a 90-second lightning showcase on how they can help the cruise lines grow their business, followed by an evening reception at the Museum of London Docklands at West India Quay.

CruiseBritain is due to celebrate its 10th anniversary next year. Chair Stangroom was delighted with the participation of members and cruise line executives at this first formal event. He told Seatrade Cruise News: 'I believe Britain as a cruise market, and we as an association (counting 38 members including all the country's major port groups) have come of age today.'