

More Steam Packet Propaganda

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This morning's statement by the CEO of the Isle of Man Steam Packet Co must be challenged. In it he says that an increase of competition on the freight side by the new owners of Mezeron could threaten passenger services. This statement must be seen for what it is - a complete distortion of the truth and a blatant attempt by the owners of the ferry company to frighten the Manx travelling public.

The real story lies elsewhere. The unacceptably high freight charges that the Steam Packet Co. have been operating have been used to pay the financing costs of their huge mountain of debt believed to be in excess of £200m (which at say 5% p.a. means there is in the region of a £10m cost that **must** be found each year) This debt came about when the international money markets paid a ridiculously high price for the Steam Packet Company at the height of the boom. Why did the markets do this? - because the Isle of Man Government gave the IOMSPCo the User Agreement.

So the Steam Packet Co is in effect saying - we will charge you through the nose for either passenger/car tickets or we will pass our costs on to you through your shop purchases and you have no choice because we have the User Agreement which your politicians gave us.