

Business leaders call on swift action to secure the future of Eurostar

January 18, 2021



Business leaders have called on the Government to help safeguard the future of Eurostar.

It follows reports in the media that on a pre-lockdown trajectory, Eurostar will run out of funds to run services into St Pancras in the coming months.

Following another lockdown, London First says there has to be a “supportive response” and “with international passenger numbers likely to remain low into the spring, the green gateway to Europe is in peril”.

It says: “If this viable business is allowed to fall between the cracks of support – neither an airline, nor a domestic railway – our recovery could be damaged. London and the UK would lose out both economically and reputationally.”

The letter says that Eurostar employs 1,200 people in the UK, with a further 1,500 jobs directly provided by the Eurostar supply chain. But the value and impact of this link extends much further, including the environmental benefits.

The letter, signed by 28 industry leaders, including HS1 Chief Executive Officer Dyan Crowther, says: “Eurostar is not asking for special treatment. We urge you to ensure that they have equal access to financial support as companies in similar positions – at the very least this should include business rates relief and access to Government loans.

“Safeguarding the future of this connection to the continent should be a symbol of both our desire to build back better and our new cooperative relationship with our European neighbours.”

Darren Caplan, Chief Executive of the Railway Industry Association (RIA), said: “The Railway Industry Association, which represent rail businesses across the UK – including many of those within Eurostar’s supply chain – will be keen to see what can be done to ensure the cross-border rail line can continue to operate.

“Eurostar is a vital part of the country’s international connectivity, linking the UK with the continent. And it supports thousands of jobs and investment, right across the country. In such turbulent times, following the Coronavirus pandemic, it is vital that Eurostar has the certainty it needs, and rail suppliers have the confidence and certainty they need, to enable it to continue to deliver services, and support the wider UK economy, not just now during these difficult months but also for the future recovery.”

It is a call being backed by MP Jim McMahon, Labour’s Shadow Transport Secretary. He said: “The pandemic has hit Eurostar extremely hard, as it has many businesses, and the ban on travel corridors will leave the service in an even more precarious position.

“The Government must act to secure our economy, and protect UK jobs and infrastructure.

“We need to see a comprehensive strategy for our regional, national and international railways which goes beyond the current franchise support programme to address the impact of COVID-19 on operations like Eurostar.”

RMT Union General Secretary Mick Cash said: It is clear that Eurostar is standing on the brink of collapse and we need urgent Government action to protect the thousands of jobs and vital infrastructure link to the Continent that now hangs by a thread.

“Eurostar has not benefited from the kind of financial and practical support that has been made available to the airports and ground operations. That needs to be put right as a matter of priority.

“The open access rail operators, Hull Trains and Grand Central, are also urgent cases for action as they have been excluded from the emergency measures offered to the rail franchise holders. We will need all our domestic and continental rail operations to be fighting fit to help kick start the economic recovery when we emerge for this current lockdown.”

The Government says over the course of the year the Chancellor has announced a broad range of significant measures to assist UK businesses in distress due to COVID-19 – such as the job retention scheme – and DfT officials have engaged with Eurostar to access these schemes where appropriate.

Earlier this week, the Global Travel Taskforce, which was established in October at the request of the Prime Minister, has published its report, which contains a series of recommendations for the Government to take forward to support the safe recovery of international travel.

A Department for Transport spokesperson said: “We recognise the significant financial challenges facing Eurostar as a result of COVID-19 and the unprecedented circumstances currently faced by the international travel industry.

“The Government has been engaging extensively with Eurostar on a regular basis since the beginning of the outbreak, including through the Global Travel Taskforce. We will continue to work closely with them as we support the safe recovery of international travel.”

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