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Cruise sector a top performer

The cruise sector is looking forward to record seasons ahead, but is warning of the need to address several big challenges if it's to achieve its potential.

At Cruise New Zealand's recent annual general meeting in Auckland (30 July), Chairman Kevin O'Sullivan said a bullish approach had resulted in some good wins for the sector.

"We are a well-established cruise destination, benefitting from the continued growth of Australia as a source market, as well as leveraging off the big growth we are seeing in the Chinese cruise market.

"Our continual work to encourage the cruise lines to bring more and larger ships to New Zealand ports was strongly reinforced by the decision to base the new Quantum-class *Ovation of the Seas* in our region from December 2016."

At 348 metres long, with capacity for almost 5000 passengers and 1300 crew, this will be the largest cruise ship to visit New Zealand – each visit will be the equivalent of 12 Airbus A380s arriving at the same time.

However, Mr O'Sullivan said the lack of berthing for larger ships means *Ovation* can't be accommodated at Auckland port.

"*Ovation* is still coming to Auckland but will be using tenders - small ships to ferry passengers between the ship and the port. This can impact negatively on the visitor experience, including limiting the amount of time they spend on shore.

"We will continue working with the ship's owners, the council and port and other interested parties on this issue."

He said Cruise New Zealand is advocating for improved cruise infrastructure in all ports, and reduced barriers to ensure New Zealand is 'cruise friendly'.

The Government's 'new and unheralded' travel tax was an unexpected and unwelcome barrier that will detrimentally affect the whole of the tourism sector, and cruise in particular.

"We estimate this ill-conceived 'border levy' could knock almost \$90 million off cruise sector earnings in 2018-19, compared to the \$7 million - \$8 million the government expects to collect from this new tax.

"We are proactively fighting this tax as part of a tourism and travel coalition led by the Tourism Industry Association New Zealand."

One of Cruise New Zealand's goals for the coming year will be to significantly raise the profile of the sector with decision makers and the public.

"The cruise sector is a fast growing and valuable part of the New Zealand economy – contributing \$436 million in value added earnings in the 2014-15 season and supporting 8365 jobs. We have the potential for huge growth over the coming decade, however to achieve that will require the support of central and local government, ports and communities around the country."

Cruise New Zealand Board

The Cruise New Zealand AGM, held 30 July, welcomed a new Board for the 2015-16 financial year:

- Kevin O'Sullivan, Southland Regional Harbourmaster, Environment Southland (re-elected as Chair)
- Leigh Robins, Manager Marine and Cruise Operations, Ports of Auckland (Deputy Chair)
- Craig Harris, Managing Director, ISS-McKay
- Ian McNabb, Chief Executive Officer, Port Marlborough
- Jason Hill, Manager, Tourism for Auckland Tourism, Events and Economic Development
- Peter Brown, Commercial Manager, Port Otago
- Rhys Arrowsmith, General Manager, Tourism Bay of Plenty
- Tansy Tompkins, Trade Marketing Manager for Tourism New Zealand (Tourism New Zealand representative)
- Tony Petrie, Managing Director, Renaissance Tours

About Cruise New Zealand

Cruise New Zealand is the industry association of New Zealand's cruise sector. Cruise New Zealand has been the driving force in attracting cruise lines to New Zealand since 1994, and has played a major part in building New Zealand's world renowned reputation as a cruise-friendly destination.

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