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Cruising to great heights

New Zealand's cruise sector is expecting a record season in 2015-16, with passenger numbers forecast to increase a whopping 33% to 267,800, driven by larger ships as well as more vessels based out of Auckland.

In the Cruise New Zealand economic impact summary report released today, the growth in passenger arrivals in 2015-16 is calculated to support 10,354 jobs and inject \$543 million in value added to New Zealand, up from 8365 jobs and \$436 million in 2014-2015, says Cruise New Zealand General Manager Raewyn Tan.

"The country is on the cusp of record growth. The next two seasons will break all New Zealand cruise records and this upward trend is expected to continue over the longer term. The strength of Australia as a source market of cruise passengers as well as New Zealand's potential to attract the ships during China's winter are influencing factors."

"Not only will there be more ships, but the ships coming will also be larger on average".

The upcoming 2015-2016 season will welcome 5 new ships including *Explorer of the Seas*, whose sister ship, *Voyager of the Seas*, is currently the largest in passenger numbers. Princess Cruises will increase their Australasian fleet to five, introducing the *Golden Princess* to New Zealand, and P&O Australia's *Pacific Pearl* will increase their homeports out of Auckland significantly.

The 2016-2017 season will continue the excitement with *Ovation of the Seas* making its first call as the largest ever ship to visit New Zealand, and Holland America Line's *Noordam* scheduled to make more open-jaw voyages, voyages that start or end in Auckland which are higher-yielding from pre and post stays in the country.

Cruise New Zealand is excited about the impending growth of the sector. But Tan says the looming Border Clearance Levy is casting some gloom over cruise's bright future.

"While schedules are largely committed for the next two seasons, international cruise companies have advised they are considering relocating ships away from New Zealand as early as the 2017-18 season because of the new Travel Tax."

Cruise New Zealand estimates the new tax could knock \$85 million off the wealth the cruise sector generates for New Zealand in 2018-2019, resulting in 1629 less jobs supported by the sector. Ms Tan says these are significant losses compared to the \$7 million - \$8 million in tax the government hopes to collect from the cruise sector.

“Our new forecasts highlight the significant economic contribution the cruise sector will make to New Zealand over the coming years, and the important part we can play in helping the tourism industry achieve the Tourism 2025 goal of almost doubling annual revenue to \$41 billion by 2025.

“A big percentage of the wealth cruise generates goes to regions throughout the country, with passenger spending on onshore activities, attractions, shopping and food and beverages, plus accommodation for visitors who fly in or out of New Zealand. It is vital the government invests in supporting that growth, rather than erecting barriers.

Visit [Cruise New Zealand’s website](http://www.cruisenzeland.org.nz) for updated figures and forecasts.

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.

Contact:

Raewyn Tan
General Manager
022 090 7752
raewyn@cruisenzeland.org.nz

Key facts:

- Cruise is the fastest growing segment of tourism.
- New Zealand’s cruise industry has grown by five times over the last ten years.
- If cruise were a country, it would be New Zealand’s 3rd largest inbound holiday market at 201,370 passengers (2014-15), behind Australia and China. Crew accounts for an additional 75,400 visitors.
- In the 2014-2015 cruise season, the cruise sector accounted for 1,125,100 passenger port days and contributed \$436.1 million to New Zealand’s GDP and supported 8,365 jobs.
- Forecasts have shown no sign of this growth abating. The 2015-2016 season is expected to increase by over 33% to bring in 267,800 passengers and 91,600 crew. This is forecasted to contribute \$543.3 million to New Zealand’s GDP and support 10,354 jobs.
- Australians (51%) make up the majority of international cruise arrivals, followed by Americans (17%) and British (7%).