

By email

24 September 2024

Mayors/ Chairs of:

Northland Regional Council
Auckland Council
Bay of Plenty Regional Council
Gisborne District Council
Hawkes Bay Regional Council
Taranaki Regional Council

Marlborough District Council
Nelson City Council
Tasman District Council
Christchurch City Council
Timaru District Council
Otago Regional Council
Environment Southland

Tēnā koutou Chairs and Mayors

Getting Ship-faced: Time for a conversation on partnering with the Cruise Industry?

I am writing to you as the leader of a Council which owns one or more ports that accommodate cruise ships.

In these tough economic times Greater Wellington is keenly aware of our subsidiary port company's contribution to our council finances, to mitigate the impact of rate rises on our community. Therefore, it's of great concern to hear that despite a record breaking 2023/2024 NZ cruise ship season with 1,056 visits, this coming summer we will see a drop to 894 visits. The following year is projected to be even lower, at fewer than 600 visits across New Zealand. This is despite the global cruise ship industry being one of the fastest growing sectors of tourism.

This drop in cruise ship numbers directly impacts our communities and regional economies, as in addition to lost income for the ports, it means our local businesses lose an average \$600K+ per visit per day. (Accolades to Auckland for its \$1.8m+ per day, but this just shows how much is at stake.)¹

In discussions with representatives of the cruise ship industry, they cite a range of reasons for the drop off, including government levies and bunker costs. However, large port cost increases coming at short notice (most particularly from Port of Auckland Limited) have also played a key part, and they have had unexpected consequences. As a result, many cruise lines are directing their ships elsewhere and New Zealand is missing out. While not seeking to single Auckland out on this issue, Auckland is pivotal to any reversal in fortunes as the cruise ship industry takes a lead from the prices imposed by Port of Auckland Limited.

¹ Cruise Aotearoa NZ 2040 – Setting a Course for the Future – New Zealand Cruise Association

This looming issue does not appear to be a priority for central government, although I believe that it should be discussed with Minister Doocoy. In the meantime, I have asked that we place this issue on the LGNZ Regional Sector Group meeting agenda on 22 November, and invite our colleagues from Auckland, Christchurch and Timaru, to hear more about this issue and discuss a joint approach to finding a solution.

I hope you agree there is great benefit in engaging with the cruise industry and reversing this projected decline.

Ngā mihi



Daran Ponter
Heamana | Chair

CC: Liz Lambert, Executive Director, Te Uru Kahika