

Media Release

31 October 2012



Cruise injects increasing value to New Zealand

As the 2012/13 cruise season gets into full swing, a new cruise economic impact report forecasts the season's contribution to New Zealand's GDP at NZ\$327.1 million, supporting 5633 jobs.

Cruise New Zealand says this represents growth of 13.2% on the 2011/12 season which contributed NZ\$288.9 million to GDP and accounted for 4961 jobs. The 2012/13 forecast predicts 20% growth in passenger arrivals and 8% growth in both the number of voyages to New Zealand and port calls around the country.

As New Zealand's key exchange port, Auckland has the lion's share of the cruise sector's economic contribution at NZ\$114.9 million, accounting for 1755 jobs. Other cruise regions, including Bay of Plenty, Wellington, Canterbury, Otago and Southland are also expected to show significant levels of growth compared to the 2011/12 season.

New Zealand's cruise industry has grown reasonably steadily over the past decade and a half. In the 1996/97 season, 27 cruises brought 19,400 passengers to New Zealand. Last season, the industry grew to 121 cruises carrying 174,000 passengers and the 2012/13 season is expected to host 130 cruises carrying 209,000 passengers.

If global trends are anything to go by, this cruise growth will continue, with reports of new ship orders, and the potential and sustained strength of the Asian and Australian economies, Cruise New Zealand Chairperson Craig Harris says.

However, Mr Harris warns that as ships get much larger and the Panama Canal completes its expansion project in 2014, New Zealand's port facilities may struggle.

"It is even more imperative for Auckland, as our key exchange port, to continue to future-proof its cruise infrastructure to attract more ships to start and stop their cruises in New Zealand. This activity adds to the value cruise contributes to our economy, as it encourages passengers to stay in Auckland before and after their cruise.

"It's encouraging that the Auckland port's stakeholders are continuing to evaluate these prospects," Mr Harris says.

Tourism Industry Association New Zealand (TIA) Chief Executive Martin Snedden says it's critical that ports around New Zealand have the infrastructure to accommodate both the growing numbers of cruise passengers and larger ships.

“Cruise is one of the fastest growing sectors of New Zealand’s tourism industry and we must work together to ensure we are maximising the value we extract from it,” Mr Snedden says.

Highlights

Some highlights from Cruise New Zealand’s economic impact report:

- 2012/13 is forecast to generate a direct spend of NZ\$474.5 million, creating value add (GDP) of NZ\$327.1 million, and accounting for 5633 jobs.
- The 2012/13 season is expected to receive 130 cruises making 756 port visits, carrying 209,000 passengers and 92,000 crew.

- Regional 2012/13 forecasts:
 - Northland is forecast to receive NZ\$13.1 million in value-add and account for 252 jobs
 - Auckland is forecast to receive NZ\$114.9 million in value-add and account for 1755 jobs
 - Bay of Plenty is forecast to receive NZ\$ 40.7 million in value-add and account for 732 jobs
 - Gisborne is forecast to receive NZ\$0.1 million in value-add
 - Hawke’s Bay is forecast to receive NZ\$23.3 million in value-add and account for 429 jobs
 - Wellington is forecast to receive NZ\$43.2 million in value-add and account for 793 jobs
 - Marlborough is forecast to receive NZ\$6.7 million in value-add and account for 119 jobs
 - Canterbury is forecast to receive NZ\$35.6 million in value-add and account for 655 jobs
 - Otago is forecast to receive NZ\$42.8 million in value-add and account for 799 jobs
 - Southland is forecast to receive NZ\$6.7 million in value-add and account for 94 jobs.

Contact:

Craig Harris

Email: craig.harris@mckayshipping.co.nz

Mobile: 021 491 040