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Safeguarding Cook Strait visitor flows crucial for industry – TECNZ

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The government and KiwiRail must protect visitor flows between the North and South Islands following the cancellation of the Interislander ferry upgrade, says Tourism Export Council of New Zealand.



TECNZ says it is crucial to safeguard the continuity of Cook Strait ferry services and minimise disruptions. Image: Destination Marlborough

[KiwiRail has abandoned its Interislander ferry and infrastructure upgrade](#) after the government turned down its request for an additional \$1.47bn for its Inter-Island Resilient Connection (iReX) project. The state-owned enterprise is considering its options around the

two new hybrid diesel-electric ferries ordered from Hyundai Mipo Dockyard in South Korea, with the possibility of building and then selling them being scoped.

The tourism sector had been looking forward to the upgrade of the Interislander ferries, with [last summer's string of problems](#) an indication of the current fleet's substandard state. Inbound tour operators in particular were affected by Cook Strait ferry disruptions, with many having to scramble to adjust customer tour itineraries, including finding accommodation during the peak season for stranded passengers.

TECNZ told the *Ticker* that following the cancellation of iREX, it was “supportive of the government’s efforts to promptly explore alternative, more cost-effective options”.

“This is crucial to safeguard the continuity of Cook Strait ferry services and minimise disruptions to visitor flows between the North and South Islands,” the association for ITOs said.

“While there may have been room to enhance these considerations, TECNZ encourages the government to explore solutions that not only address immediate needs but also contribute to the overall resilience and sustainability of the transportation system.”

KiwiRail was planning to introduce the new ferries in 2025 and 2026, which it said would help the operator reduce carbon emissions by 30% by 2030 and be carbon-neutral by 2050.

The 220-metre-long ferries would collectively carry around 1,910 passengers, plus any combination of 62 trucks, 42 rail wagons and 170 cars.

However, Finance Minister Nicola Willis said on Wednesday that the government had turned down KiwiRail’s request for additional funds after the cost of iREX had quadrupled to \$3bn following an initial budget in 2018 of \$775m.

The government said that to date, \$435.1m of Crown funding had been appropriated for the project, of which approximately \$63m remained.

Willis called on KiwiRail to “prioritise providing reliable, safe and enduring ferry services”.