



Consideration of private-sector ferry options welcomed

The Government's decision to proceed with new Interisland ferries through the establishment of a new company and consider private sector options is welcomed by Infrastructure New Zealand.

"As a country split by water, safe and reliable interisland ferry services are vital for the movement of people and freight around New Zealand," says Chief Executive Nick Leggett. "Cook Strait and the ferries are literally a continuation of State Highway 1 between Wellington and Picton."

"The Government's plan, while lacking a lot of detail, at this stage strikes us as a good way forward."

"I'm pleased that the Government is willing to consider partnerships with the private sector for both procurement of the new ferries and potentially as part of their future operation."

"The most important thing is to ensure we get the best deal for New Zealand. If there is a public-private partnership arrangement that could do that then it makes sense to explore it."

"It is often forgotten that a well-regarded private ferry service already provides competition across Cook Strait."

"There is immense capability and expertise within the private sector both in New Zealand and internationally and this could well present a long-term and financially sustainable solution for the Interislander service."

"It was understandable that the incoming Government cancelled iReX last year given the spiralling costs of the port side infrastructure," says Leggett. "The decision to look beyond rail-enabled ferries makes sense given not only this cost but the small minority of freight that is actually transported by rail these days."

"While the Government has not announced any specifics on port side infrastructure today, we believe the cost of it should be borne by the ports themselves who could and should pass that cost on to users over the life of the new assets."

“I also note that under iRex, the new larger ferries would have turned up and the port side infrastructure would not have been ready for them for some years. The Government has indicated with this plan that both ferries and the infrastructure to support them will be aligned, which will avoid major problems of sunk cost and loss of productivity.”

“Finally, having a new Minister of Rail will be important, not only as a champion for this project and KiwiRail more generally, but also as a dedicated minister to hold some feet to the fire if costs and timings begin to slip,” says Leggett.

“The private infrastructure sector will now look forward to further announcements on the market-led proposals process.”

ENDS

Infrastructure New Zealand is Aotearoa's peak membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy, and public and private sector collaboration. We promote public and media discussion on issues of importance to the infrastructure sector. Our membership is comprised of around 140 organisations, including government agencies, consultants, contractors, financiers, utilities, and academics. These organisations employ approximately 150,000 people in infrastructure-related roles and are united in their commitment to creating a better New Zealand through outstanding infrastructure.

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