

Background on the study of the long-term resilience of the Cook Strait Connection

As you will be aware, the Government has established a Ministerial Advisory Group (MAG) to provide independent advice on KiwiRail's ferry services. When the [advisory group was launched](#), the Ministry was also tasked with preparing a separate assessment of the requirements for a resilient Cook Strait connection.

While the MAG is focussed particularly on KiwiRail's ferry services, the Ministry is looking at the wider system so that we can advise the Government on the conditions that need to be in place to support an efficient and resilient Cook Strait connection. Amongst other issues, we are interested in getting a better understanding on the total North Island – South Island market, the level of service required on Cook Strait to service the whole market and the flexibility of operators to respond to changes in demand.

Specific questions (in no particular order) to investigate as part of preparing that assessment,:

- What is the minimum level of service required across the Cook Strait to meet the needs of New Zealand's transport system and support the national economy?
- Which sectors of the economy (e.g. freight forwarding, food and beverage, livestock and wider primary sector) are most dependent on Cook Strait ferry services, and how do they structure their distribution models? Which sectors are more or less flexible?
- To what extent is the market able to deliver a resilient Cook Strait connection?
- What is the current state of the infrastructure to support this level of service?
- Are there any barriers to entry that would prevent the entry of new operators?
- What is the ability of StraitNZ or other potential participants, or the other modes (such as coastal shipping) to provide more capacity over the Cook Strait to respond to changes in demand and supply in a timely manner?
- What are the short, medium and long term demand growth forecasts for the Auckland-Christchurch market?
- What are the consequences for the transport system of having no rail enabled ferries?