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15 March 2020

The Hon Grant Robertson
Minister of Finance
By email: grant.robertson@parliament.govt.nz

The Hon Kris Faafoi
Minister of Commerce and Consumer Affairs
By email: kris.faafoi@parliament.govt.nz

## **COVID19 - Economic assistance**

Dear Ministers.

As the Government continues to consider ways in which to temporarily assist the airline, travel and other targeted industries impacted by the COVID-19 or coronavirus epidemic, the NZ Marine Transport Association encourages you to include maritime charter, ferry and tourism operations suffering from cancellations and reduced attendance and tourism activity in any small business assistance packages.

The NZ Marine Transport Association represents the interests of commercial maritime operators with over 1500 members around New Zealand. Our mission is to ensure a strong and robust industry that contributes significantly to the New Zealand economy.

- The total annual tourism expenditure in NZ is 40.9 billion \$112 million per day, of this, \$17.2 billion is international (\$47 million per day) and \$23.7 billion (\$65 million per day).
- Of this, the marine sector contributed \$3.8 billion to New Zealand's economy with marine tourism and recreation contributing \$80 million and marine services \$180 million.
- In addition, statistics NZ (2017) show that over 2000 people are employed in marine tourism and marine service related industries.
- 80% of the commercial maritime sector is made up of owner/operators (charter boats, water taxis etc) with 20% being made up of ferry, tourism and vehicular ferry operations.
- Since 2015, Maritime NZ compliance costs have tripled through the advent of new legislation (MOSS Maritime Operator Safety System) and the review of maritime levies on commercial operators (2019).

This is the sector we represent. As you are no doubt aware, the fast-spreading COVID-19 pandemic has prompted the cancellation of flights and gatherings around New Zealand, and forced future cancellations or postponement of innumerable other events dependent on in-person attendance across the nation.



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NZMTA is working with our members to establish the impact of the pandemic but wish to reiterate that many of our operators are dependent on local and international tourism and financial support and assistance is needed to protect their revenue streams and continue to survive.

Many of these operators are small businesses and are greatly impacted if employees are forced to take sick leave or are quarantined as a result of COVID- 19 interaction. We are aware that the Government is considering measures for small businesses that may require cash flow assistance amid the outbreak, and we ask that local commercial maritime operators not be excluded from any temporary aid designed to stem the economic fallout resulting from COVID-19.

In the interests of assisting the Government in understanding the impact of the COVID-19 threat on this sector, NZMTA requests a meeting with you and appropriate staff to understand how emergency measures to boost the economy during this pandemic are appropriately targeted.

Thank you for your consideration and if you have questions or wish to arrange a meeting, please contact either Andrew Somers, President or myself, Margaret Wind, Executive Director NZMTA at <a href="mailto:info@marinetransport.co.nz">info@marinetransport.co.nz</a>.

With kind regards,

Margaret Wind Executive Director New Zealand Marine Transport Association

## ABOUT NEW ZEALAND MARINE TRANSPORT ASSOCIATION

The Marine Transport Association (MTA) was formed in 1970 to represent the owners of restricted limits shipping. Large and small operators make up the membership and are active in passenger transport, charters, aquaculture, bare boat charter, work boat and fishing.

As an Incorporated Society, the MTA represents many fleet operators, seafarers and service providers throughout the country.

Funding for the Association comes principally from subscriptions and sponsorship. Our key objective is to advocate and support the domestic fleet to ensure a safe and viable industry.