



Report 04.168
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Committee Passenger Transport Committee
Author Anthony Cross Manager Transport Service Design

East by West Company Limited

1. Purpose

To respond to the public submission made by Mr Jeremy Ward of East by West Company Limited to the 12 February 2004 meeting of the Passenger Transport Committee.

2. Background

After Mr Ward spoke to the Committee at its last meeting, the Committee resolved:

“That officers prepare a report on the matters raised in the Eastbourne Market Research Report about increased ferry services and the views expressed by Mr Ward, Managing Director, East West Ferry Limited, at today’s meeting.”

3. Comment

The background reports¹ to the Hutt Valley Corridor Plan evaluated two harbour ferry options but concluded that there was no case for establishing ferry services to Wellington from either Petone or Seaview, although the Plan does expressly provide that GWRC should allow (ie not use its ability to decline) commercial registration of such services. Mr Ward or any other ferry operator is free at any time to register with GW a service which would not require GWRC funding.

Option P1 evaluated ferry services from Petone and Seaview to Wellington and concluded:

“The model predicts that the new ferry services between Petone and Taranaki Wharf, and Seaview and Taranaki Wharf have little impact on improving the attractiveness of ferries as an alternative mode to the car travelling to the Wellington CBD ... It is recommended that this new ferry service option be dropped.”

¹ Hutt Corridor Study Stage 1, Beca Carter Hollings & Ferner Ltd, March 2002, and Stage 2, July 2002

In any event, if GWRC did decide to fund services from Petone or Seaview, they would need to be tendered competitively. Given that there are few impediments to operating ferries (compared to operating train or trolley bus services for which there are “sole supplier” competitive pricing procedures), there is no mechanism for treating East by West Company differently from any other potential operator.

Any expansion of the existing Days Bay ferry service would ordinarily be by way of a variation to the existing contract for that service. However, East by West Company Ltd did not supply with their tender a variable rate for a “peak vessel”. Since any expansion of the peak period service would require an additional vessel, it will be very difficult to increase the service without re-tendering. This would introduce the possibility of a second operator on the route, with all the potential for ticketing incompatibility and customer confusion which would result.

Officers do not intend to pursue Petone or Seaview ferry options, but will consider ways of enhancing the Days Bay service beyond the short term.

4. Recommendations

That the report be received.

Report prepared by:

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Design

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