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KiwiRail Coastal Pacific suspension unnecessary and short sighted

Today's announcement that KiwiRail will suspend its Christchurch-Picton passenger service, the Coastal Pacific, over the winter months is unnecessary and short sighted, says the Rail and Maritime Transport Union (RMTU).

Workers were told of the decision at a meeting underway a short time ago.

'KiwiRail are also proposing to make three train attendant positions redundant, something that we'll be questioning given the strong performance of the TranzScenic arm of the business this summer,' said RMTU General Secretary Wayne Butson.

'By Kiwirail's own admission, its TranzScenic services, of which the Coastal Pacific is a part, came in \$156,000 over budget in January and it does not make sense to stop running this train over the winter,' he said.

'Kiwirail are telling us they know hotel bookings are up in Christchurch and the South Island is experiencing a resurgence as a tourist destination. The TranzAlpine service has enjoyed spectacular results over the summer, coming in \$111,000 ahead of budget in January. The TranzAlpine and the Coastal Pacific are iconic train journeys and together they provide a unique experience for tourists,' he said.

'The downstream benefits of the tourist dollar generated by these services is not just felt by KiwiRail, there are plenty of businesses in the South Island that do well,' he said.

'To suspend the service over the winter months is short-sighted, it will have an impact on jobs both in and beyond KiwiRail, and it demonstrates the absurdity of adopting a stand-alone business model for TranzScenic. Simply put, there is a benefit from retaining the Coastal Pacific for New Zealand Inc, which doesn't show up on KiwiRail's balance sheet,' Wayne Butson said.

Ends.

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