

Statement on Dunedin Railways Ltd

(Dunedin, Tuesday 30 June 2020) – Dunedin City Holdings Ltd (DCHL) Chairman Keith Cooper has confirmed that Dunedin Railways Ltd (DRL) will enter hibernation mode from today.

"DRL was already facing financial challenges when Covid-19 impacts on tourism hit the company in March," Mr Cooper said. "DRL was largely reliant on international tourism, with overseas visitors comprising up to 80% of the company's passenger numbers."

Mr Cooper thanked DRL Chair Kevin Winders and CEO Craig Osborne along with the rest of the DRL board for their service to the company and the city, and wished them well. The directors agreed in March to resign once they had overseen the company's transition to hibernation, which has been completed today, and the CEO role was disestablished as part of the restructure.

Given the decision to put DRL into hibernation was made by the owners, the approach that the RMTU has chosen in taking their campaign to Mr Winders' family home today is particularly disappointing and inappropriate. "It's a sad day when things are taken to such a level, when what the Board were doing was making tough calls in a very challenging environment," Mr Cooper said.

"Financial support for hibernation means DRL's iconic assets (including rolling stock and the Taieri Gorge line) can be retained while potential options for their future use are identified and evaluated."

An application has been made to the Government's Strategic Tourism Assets Protection Programme to support this work. "We look forward to hearing the Government's response soon," Mr Cooper said.