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Milford Opportunities Project
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To whom it may concern:

Tourism Industry Aotearoa (TIA) welcomes the opportunity to comment on the shortlist of ideas for the Milford Opportunities Project (MOP) Masterplan. The Milford corridor is a key tourism asset for New Zealand and we support the development of the Masterplan. We hope like many that this consultation process will result in a plan that ensures Te Anau, Milford Sound and the wider region grows in a sustainable and well-managed way, with an improved visitor experience and increased benefits to tourism operators, local communities and the environment.

We have engaged with a range of members across the aviation, activity and cruise sectors to inform our submission. We have also drawn on our strategic industry frameworks such as the [Tourism Sustainability Commitment](#) and our recent [submission to the Tourism Futures Taskforce](#) to inform the submission.

1. Conservation Management

One of the key areas of feedback from members was frustrations with DOC management systems and processes for the area. These are not new issues and nor are they isolated to this region. The issues and our solutions are detailed in our paper to the Taskforce [Resetting the Conservation and Tourism Relationship](#). The paper identifies four issues that require addressing:

1. The conservation legislative framework is outdated and not meeting current challenges.
2. DOC's management planning system is no longer fit for purpose.
3. DOC is not set up to prioritise working with businesses. The concession system reflects this and is not fit for purpose.
4. Enabling business to do more conservation.

The paper also explores four interconnected opportunities through which the necessary change can be achieved. These are to Review and update the Conservation and National Parks Acts; Review DOC's management planning and concessions functions; Require DOC to enable

businesses to deliver conservation outcomes; and Recommend DOC's core funding increases to enable it to deliver on its role in the tourism system, taking into consideration the above recommendations.

Conservation Funding

The proposal states: 'Charges could be applied to support a broad range of conservation and land management initiatives. These initiatives would likely include predator control, the reintroduction of native fauna (such as kakapo and tieke) following successful predator control, weed management, marine biosecurity surveillance, soil control, conservation research into key ecosystems and species, and mana whenua narration costs. Charges could also be used to support the visitor experience in areas such as infrastructure maintenance, visitor interpretation, visitor safety and emergency response'.

As noted in our paper to the Taskforce our recommendation in regards to funding is to increase DOC's core funding to enable it to deliver on its role in the tourism system. Any proposals to apply additional fees and levies to visitors concerns us. Visitors already contribute more than their fair share through the taxes and levies they currently pay including GST. We acknowledge it will be some time before the International Visitor Levy (IVL) is able to provide sufficient funding to supports its stated goals. Notwithstanding that, 50% of IVL funding goes to supporting conservation initiatives. The MOP is a long-term strategy and over time the IVL should be the first source of support for these conservation initiatives rather than applying new taxes to visitors including New Zealanders.

Tourism operators pay millions annually in concession fees to undertake activities on Public Conservation Land (PCL) in the region. Members expressed frustration that there is a lack of reinvestment of these funds in the local visitor infrastructure and amenities on PCL and want to see a greater return of their concession fees in the land they operate on. We support this call.

2. Restricting access of cruise liners

The proposal includes an idea to restrict access of cruise liners in the inner sound from impacting sight lines of Mitre Peak. It states: 'This would involve revising policies around cruise liners within Milford Sound Piopiotahi to reduce visual and environmental impacts, smoke emission and tsunami risks'.

We do not support this proposal on the grounds that there is little insight provided to back it up. There is little narrative in the shortlist of ideas or the MOP website on cruise liners, with most of the reference to cruise being the multitude of small vessels that cruise the Fiord on a daily basis.

We support the submission of the New Zealand Cruise Association, particularly the following points:

- Fiordland is an important part of cruise itineraries – without Milford cruise ships are less likely (and perhaps even unlikely) to travel to South Island ports. This would have a significant impact on other ports and South Island regional economies, such as Otago;
- Restrictions in Milford could see a loss of Fiordland as a cruise destination which impacts on the entire New Zealand cruise economy;
- Milford Sound is an iconic cruise destination and Mitre Peak features in every media item for cruising in New Zealand waters;
- Limiting ships in Milford for the reasons outlined is unnecessary as in most cases the ships arrive early in the morning and have departed before 9.00am. In the evening ships usually arrive after 5.00pm. These times are generally outside the periods when tourists are present;
- Environment Southland already has good controls on cruise ship movements in Fiordland, including Milford, so further controls are not required.

We are concerned that cruise liners are seen as an easy target in order to achieve a quick win on reducing visitor impacts in the region. These cruise liners have the same visual and economic impacts in other regions in the country though often are welcomed and encouraged, as we see with the new berth at Lyttelton Port.

We acknowledge that the economic benefits are not as obvious in the immediate district as some other regions. We do note though Environment Southland's 2020/21 Annual Plan which states 'The most significant impact of the pandemic on the Council's Annual Plan was anticipated to come from a loss of \$2.8 million in marine fees, which are paid annually by cruise ships visiting the Southland region to fund work relating to the coastal and marine areas'. This funding represents 7.8% of the Council's 2019/20 revenue budget of \$36m. To say that cruise liners do not currently contribute to the regional economy is incorrect.

We believe solutions can be found to the perceived issues. This will require the project governance and management to work more closely with the cruise sector and we encourage you to work through the issues collaboratively with the sector.

3. The Milford Tourism System

There are a number of important matters we consider to be key to driving the desired outcomes when thinking of the wider context of the whole Milford tourism system, including:

- The access or visitor flows models to be deployed – how will this work in practice?
- How income will be generated to fund the system both for managing the system, creating the right incentives, funding infrastructure and generating the necessary dividend for nature.
- What the governance and management systems will look like – how can the Milford system be established as an enduring and progressive arrangement.

In the feedback we received there was a general concern that the proposals would create barriers to growth rather than support sustainable growth. While this was at odds with the feedback we had from MOP project management representatives when we met it never the less is a valid and significant concern of operators.

This feedback is summarised well in one comment that 'whilst you can influence the market you cannot dictate terms'. The tourism industry and channels to market are complex. Visitor behaviour and itineraries will continue to have a significant influence on how people experience Milford Sound. There will continue to be many people who want to travel from Queenstown or other destinations to experience Milford for a day e.g. skiers, tour groups, FITs.

Tourism operators are well-placed to support achievement of the desired outcomes. These operators work in a competitive environment and often need to introduce new and innovative responses to keep up or stay ahead of the general market. As one operator noted 'pressure often leads to solutions and smart plans and the market drives change'. It will be important as the plans progress that any proposals consider the likely commercial consequences on operators and they continue to be given the opportunity to provide feedback and influence proposals significantly impacting them.

Closing

The set of ideas are extensive and if substantively implemented will create a Milford experience that is quite different to what we have now. It is clear they present a comprehensive set of potential actions and subject to our feedback above at this point we support the general direction of travel. For example initiatives such as the Experience Hub that support the importance of telling the cultural and historic stories of the region are important to include. Likewise improving transport models to improve visitor flows and address a road which is a known black spot for vehicle accidents is a priority.

TIA wishes to participate further in the development of the Masterplan. Please do not hesitate to contact us if you have any queries about our feedback

Ngā mihi,



Steve Hanrahan

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About TIA

TIA is the peak body for the tourism industry in New Zealand. With nearly 1,400 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure & other activities, attractions, retail, airports & airlines, transport, cruise, as well as related tourism services.