



Submission to
Ministry for the Environment
on the
Next steps for fresh water: Consultation document (2016)

Date: 22 April 2016

EXECUTIVE SUMMARY

1. The Tourism Industry Association New Zealand (TIA) welcomes the opportunity to comment on the *Next steps for fresh water: Consultation document* (2016) (the document).
2. In an increasingly competitive global industry, the '100% Pure New Zealand' marketing campaign used to attract overseas visitors since 1999, is fundamental to our success – Tourism New Zealand data shows our natural landscapes are the top reason why visitors come to New Zealand. Indeed, the clean and pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.
3. Clean and sufficient fresh water not only enables New Zealand's natural landscapes, but is directly essential to the provision of many tourism products and offerings. It underpins the growth and sustainability of the tourism industry.
4. TIA believes that New Zealand can achieve great things by consciously giving primacy and dominance to the preservation and enhancement of our natural resources. In a highly modified, resource-constrained world, New Zealand has a unique opportunity to show, in a planned and deliberate way, environmental leadership and integrity. Such a move would secure a powerful high-value trading proposition for tourism and across many other New Zealand industries, support our nation's social health and ensure our next generation inherits a land that is better than today.
5. The document states that delays in tackling management of our water will only make environmental damage or lost economic opportunities more costly to fix or even irreversible. TIA supports this statement. However, we view the document's lack of a clear national vision, plan and corresponding implementation guidance, as constituting a delay.
6. The biggest flaw with the document is what it does not say. There is little point in identifying a desire for improved outcomes when it is not backed up by a coherent, integrated and efficient water management system.
7. TIA supports the implementation of the Land and Water Forum's recommendations under a national fresh water management approach that aligns with the values of fishing, swimming and mahinga kai/food gathering, and an overall improvement of New Zealand's fresh water over time.
8. TIA believes that the value of fresh water to the tourism industry, and therefore the New Zealand economy, has not been adequately considered in the document. TIA recommends that tourism be overtly stated as a stakeholder in fresh water management processes and that further work be undertaken to support understanding of the economic value to tourism of fresh water and the natural landscapes it supports.

RECOMMENDATIONS

9. That the government develop a clear vision that reflects the values of New Zealanders and a long term plan/strategy for management of New Zealand's fresh water.
10. That a fundamental aspect of the vision statement is an aspirational goal for water quality. That this goal reflects our nation's values and aspirations, the mana and ecological health of our fresh water, the ability to fish, swim and gather food, and that it drives the planning and resourcing of continual improvement of New Zealand's fresh water over time. TIA recommendation for the vision statement is: *'support the mana and ecological health of New Zealand's fresh water systems for now and for future generations; that we will be able to fish, swim and gather food; that provision will be made to protect outstanding water bodies; and that, over time, the quality of our fresh water will improve.*
11. That the recommendations made by the Land and Water Forum be implemented in an integrated fashion and with urgency.
12. That the tourism industry is overtly included as a stakeholder in all central and local government fresh water management processes and initiatives.
13. That government recognises fresh water as an essential platform for the growth and sustainability of the tourism economy and that this is apparent in fresh water economic management and the resourcing of fresh water protection and improvement.
14. That further work is done to support the understanding of the value of fresh water to tourism.
15. That government spending on fresh water protection and improvement is increased and aligns with the aim of improving overall national water quality.
16. That TIA's comments on specific proposals are adopted.
17. TIA wishes to be closely involved in any further discussions or consultations following this current consultation process.

INTRODUCTION

18. The Tourism Industry Association New Zealand (TIA) is the peak body for the tourism industry in New Zealand. With over 1500 members who supply 85% of the industry's revenue, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and activities, attractions and retail, airports and airlines, as well as related tourism services.
19. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events, membership and business capability. The team is based in Wellington and is led by Chief Executive, Chris Roberts.

20. Any enquiries relating to this paper should in the first instance be referred to Steve Hanrahan, TIA Advocacy Manager at steve.hanrahan@tianza.org.nz or by phone on 027 912 2624.

Tourism 2025

21. Tourism 2025 (www.tourism2025.org.nz), an industry-led, government supported economic growth framework was launched in New Zealand in 2014 and has set an aspirational goal of reaching \$41 billion in annual tourism revenues by 2025. The industry's focus is on growing value faster than volume.
22. The Tourism 2025 framework is based around five key themes which are:
- Insight - this is at the core of the framework recognising that having timely, accessible and relevant insight is what will help tourism businesses with the information they need to support operational and strategic decision making.
 - Connectivity - focusing on growing sustainable air connectivity is critical for an island nation that relies on 95% of its visitors arriving on a commercial aircraft.
 - Productivity - making more money from the investments we already have but finding new solutions to seasonality (the tourism industry's perennial challenge) and regional dispersal.
 - Visitor experience - we can derive more value by creating outstanding visitor experiences that meet the needs of a changing visitor mix and recognising the end-to-end visitor experience, the need to improve facilitation and be measuring dissatisfaction.
 - Target for Value - the identification of targeted opportunities that, if taken up, will deliver the greatest economic benefit.

COMMENT

Our understanding of the issue

23. TIA understands that this consultation document aims to:
- Outline the next steps in the government process to improve the management of fresh water in New Zealand.
 - Receive feedback on these steps.
24. TIA is concerned about:
- The lack of a clear vision and long term plan for management of New Zealand's fresh water in the consultation document.
 - The lack of integrated implementation of the Land and Water Forum's recommendations; and therefore the lack of a coherent, integrated and efficient water management system with assurance of adequate protection of water quality and availability.
 - The lack of tourism industry presence in the document.

Fresh water is a pivotal resource for the tourism economy

25. Tourism is a highly competitive global industry. New Zealand's environment is our unique selling point and underpins our 100% Pure New Zealand tourism brand. Data from the International Visitor Survey conducted for the Ministry of Business Innovation and Employment (MBIE) shows that the top factor for influencing visitors to choose New Zealand is our natural landscape and scenery.
26. Fresh water (and healthy fresh water ecosystems) is fundamental to supporting our natural landscapes - it is an essential and valuable aspect of 'infrastructure' for a sustainable and economically successful tourism economy.
27. As stated on page 6 of the document, *"Our lakes, rivers and wetlands are a defining feature of our landscapes, and many of the plants and animals they support can only be found in New Zealand. They are a key attraction for both domestic and international visitors, with tourism contributing \$10.6 billion or almost five per cent of our GDP."*
28. Fresh water is also integral to many specific products in New Zealand's iconic and high value adventure tourism industry and to New Zealand's world class guided fresh water fishing industry. Tourism New Zealand data shows that in 2015, 20% of our international visitors took part in raft, kayak, canoe, jet boat or fresh water fishing activities. These visitors are high value – they stayed an average length of 29 days and spent an average of \$4722, well above the norm.
29. TIA supports an increase in government funding of fresh water protection and improvement. The tourism industry is growing rapidly – having hit 3 million visitors in 2015, it is expected that we will reach 4 million international visitors per year by 2019. Industry growth puts pressure on tourism infrastructure, of which fresh water resources and the supported environments are a pivotal component. The current picture shown by statistics on our fresh water quality, the positive results of existing fresh water support efforts, and the high cost associated with 'cleaning up' poor quality fresh water also all indicate that this should be a priority for government spending.

Tourism fresh water values

30. TIA supports maintaining or improving national fresh water quality towards standards that support the health of our natural landscapes, supports a healthy sustainable nation and enable safe (healthy) visitor interaction - for now and for future generations.
31. Tourism values are consistent with the aim of having fresh water that sustains fishing, swimming and mahinga kai/food gathering. TIA acknowledges that some waterways will necessarily achieve this aim much faster than others, that regions will need strong leadership from central government, that a robust exemption process will be required, and that a collaborative regional approach will be required to enable solutions and timeframes to work for all stakeholders.

The importance of a national vision and an integrated future focused approach for our fresh water resources

32. The document's 'Message from the Ministers' states that "*New Zealand is richly blessed with fresh water, but that it is not always where when we want it, when we need it, and that there are problems we need to address with fresh water quality*". The document states that these issues are being exacerbated by current pressures from climate patterns and national water usage and that improving the management of our fresh water is a long-term task, with many of our water bodies having hydrological cycles that take decades to respond.
33. TIA believes that to turn the tide and effectively manage fresh water resources, New Zealand must firstly agree on our fresh water aspirations for tomorrow, secondly establish a strong decision-making framework on fresh water management and plan with which to get there and thirdly, not waiver from our course. The thinking should be driven by what New Zealand aspires to be, socially, culturally, environmentally and economically.
34. The document provides a series of vision statements for fresh water, the first of which references '*suitability for the local and national values and aspirations of all New Zealanders, including tangata whenua*'. It does, however, not adequately describe what it considers these to be.
35. TIA wants clear assurances that all essential New Zealand values and needs will be met – that there will be bottom lines to protect the mana and ecological health of our rivers, streams, lakes, aquifers and wetlands; that we will be able to fish, swim and gather food; that provision will be made to protect outstanding water bodies; and that, over time, the quality of our water will improve. The document does not give us assurance that this will occur.
36. TIA recommends that there is an aspirational goal for water quality included in New Zealand's fresh water planning, that it reflects our nations values and aspirations and that, over time, it drives the planning and resourcing of continual improvement of New Zealand's fresh water.
37. TIA supports national framework objectives aligned with this aim and a premise of managing by exemptions rather than a low national bottom line.
38. The document states that a sophisticated approach is required to managing fresh water but shows no evidence of this – it does not outline a decision making framework or plan with which to achieve its vision statements. Rather it proposes a series of individual management initiatives.
39. The document lacks a clear overarching vision and integrated plan which makes it extremely difficult to consider the efficiency or effectiveness of the document's proposals and does not give confidence in a positive outcome for fresh water management.

Land and water forum reports - implementation

40. TIA is a long standing member of the Land and Water Forum (the Forum) and as such supports the implementation of the Forum's recommendations. The Forum has produced four reports; each based on the assumption that the government would take an integrated approach including implementing the recommendations of previous reports.
41. The document describes an approach to fresh water management which appears to have selected a few of the Forum's recommendations and does not mention others. This approach is concerning to TIA as implementing some recommendations but not others not only risks the fresh water management aims, but also risks the loss of the consensus and the constituency for change that the Forum process has generated. By ignoring the Forum's recommendations, there is likely to be little real progress made in ensuring fresh water management meets the national values and aspirations of all New Zealanders.
42. We acknowledge that collaboration will be essential to achieve the recommendations of the Forum, as successful outcomes will depend on reaching decisions which are widely shared, and reflect both national requirements and regional and local preferences. Strong national vision, decision making frameworks and guidance for regional implementation are needed to enable strong results.

Prioritisation of tourism in fresh water management planning

43. Tourism is the powerhouse of the New Zealand economy; it leads our export earnings and supports 12% of New Zealand's employment. New Zealand tourism is experiencing significant growth and all indicators suggest that will continue – our international visitor expenditure increased by 17% in the year ended March 2015 against a global average increase of 10%.
44. TIA notes that the tourism industry is mentioned in the document section 'the importance of fresh water' but is otherwise absent from the remainder of the document. It is not apparent that the tourism industry has been adequately considered in reaching the proposals.
45. Careful consideration must be given to the impact of fresh water management on our current tourism value proposition as represented by Tourism New Zealand's '100% Pure' marketing campaign, and on future opportunities in an increasingly competitive global stage.
46. It is crucial that central and local government consider tourism when making resourcing and planning decisions that impact on fresh water, and that they understand the importance of fresh water to New Zealand tourism.
47. The economic value of fresh water to tourism, our number one export earning industry, must be prioritised in fresh water management planning.
48. TIA recommends that tourism is overtly included as a stakeholder in fresh water management planning processes.

The economic value of fresh water to tourism

49. The 'use' of fresh water by the tourism industry is largely non-consumptive and therefore difficult to measure in traditional economic models. A quantitative model is unlikely to adequately capture the value of fresh water to tourism; a narrative approach will likely be required.
50. TIA recommends that further work is undertaken to better support understanding of the economic value of fresh water to tourism and how to integrate this understanding into fresh water management processes – particularly when looking at establishing best economic use and high value use of water, including the effects on the natural landscape of changed water use, storage and infrastructure.

COMMENTS ON SOME OF THE SPECIFIC PROPOSALS

TIA's position as related directly to the proposals largely rest in implementation of the Land and Water Forum recommendations. Additionally, we have the following comments:

51. Proposal 1.1
That the FMU objective and limit setting approach is supported by a system that ensures overall national improvements in fresh water quality over time.

Proposal 1.3 and 1.4
TIA supports these proposals and recommends that the additional measures recommended by the Forum are utilised with urgency.
52. Proposal 1.6 and 1.7
TIA supports these proposals.
53. Proposal 1.8
That requirements for fencing waterways be based on science that ensures the continued breeding of fish and that farmers be specifically and actively encouraged to, whenever practicable, fence off waterways in advance of the national timeframes and to develop riparian buffers.

Science supports the importance of removing cows from our waterways as a fundamental step in managing the health of our fresh water. From a visitor perspective the quality of our tourism offering is seriously compromised when stock are seen in our waterways. Such is the breadth of interaction of visitors across New Zealand that any and all waterways which compromise human health are a risk to the tourism brand.
54. Proposal 2.1 and 2.2
That technical efficiency and good management practice standards be applied with urgency and to any catchment with allocated water use or an allocated discharge allowance where they could assist with fresh water outcomes and land management (not only those that are at or approaching full allocation of water or contaminants). We acknowledge and support

that those approaching full allocation should be prioritised and that application of standards should be scaled to match the demands and needs of the catchment and its users.

55. Proposal suite 3
TIA supports the addressing of iwi rights and interests in fresh water and the giving of effect to ta Mana o te Wai.

56. Proposal 3.6
That the statutory hierarchy of water conservation orders be maintained. The water conservation orders (WCO) are described in Part 9 of the Resource Management Act 1991. Part 9 requires waters under a WCO to have '*an outstanding amenity or intrinsic value afforded by the water in its natural state*'. This high entry level indicates that the primacy of a WCO is a crucially important national protection tool and should not be made subversive to regional planning processes.

TIA recommends that if WCO applications are delaying regional planning processes, a more effective WCO processing system is implemented. The document does not state evidence of this and rather lists only 15 WCO as being in place in New Zealand.

57. Proposal 4.1
That when considering projects for the fresh water management fund, the preservation of natural landscapes be specifically included as an environmental benefit.

ENDORSEMENT OF THE LAND AND WATER FORUM SUBMISSION

58. TIA generally supports and endorses the Land and Water Forum submission on the *Next steps for fresh water: Consultation document* (2016). We agree with the general comments and points raised in the submission and urge the Ministry for the Environment to give them careful consideration.

FOLLOW-UP PROCESS

59. TIA would welcome the opportunity to participate further in any follow-up process, including any formal meetings, to ensure that the potential impacts on tourism are adequately understood and constructive feedback provided.

BACKGROUND

60. Tourism for New Zealand is big business as the country's largest export sector. It is a major contributor to the New Zealand economy that will always be here and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean and pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.

61. The tourism industry delivers the following value to New Zealand's economy:
- Tourism in New Zealand is an \$81.6 million per day and \$29.8 billion a year industry.
 - The tourism industry directly and indirectly supports 12.1% of the total number of people employed in New Zealand. That means 295,908 people – one in eight – are working in the visitor economy.
 - Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015).

End.