



**Tourism
Industry
Association
New Zealand**

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Zealand**

Comments to the

Marlborough District Council

**on the
Proposed Controls on Shipping Activity
in the Marlborough Sounds**

February 2002

The Marlborough District Council is undertaking a series of consultations on a document that proposes some controls on shipping in the Marlborough Sounds.

Accordingly, TIANZ wishes to submit comments on this document.

About Our Association and Industry

TIANZ represents over 3,500 tourism businesses throughout New Zealand. Tourism is a \$13 Billion industry and generates approximately 13% of New Zealand's GDP. Tourism employs one in ten New Zealanders in a diverse range of businesses, the majority of which are small and medium sized businesses.

New Zealand welcomes almost two million overseas visitors to its shores every year. The domestic tourism industry is also important in helping to sustain a vibrant tourism industry. TIANZ estimates that over 75 million visitor nights are spent by New Zealanders every year.

The tourism industry is a significant user of New Zealand's natural and physical resources, and directly benefits from a high level of environmental quality. Unsustainable or damaging behaviour to our environment has the potential to cause disruption to our industry.

Tourism can play a role in helping to sustain the environment, through initiatives such as undertaking research and development into sustainable environments, and the Green Globe initiative that encourages environmentally friendly tourism business practices.

In a nutshell, the environment sustains tourism and tourism must ensure that it helps sustain the environment.

At the same time, the tourism industry is made up of businesses. These businesses are competing in a competitive market. Therefore, the issue of compliance costs is important to our industry. We also advocate a reasonable balance between environmental management and constructive economic development, which brings economic activity and employment to our regions and communities.

Marlborough District Council's proposals

TIANZ notes that the key aspects of the proposals would:

- Allow for shipping activity to continue in the Sounds.
- Control the speed of 'large' and 'fast' ships in Queen Charlotte Sound and Tory Channel.
- Apply 15 knots as the upper limit of speed level where no controls would be applied.
- Control ships that exceed 15 knots in speed to ensure that they meet the wave height formula.

- At speed levels above 18 knots, ships would be assessed on a case-by-case basis.
- Ships not meeting the wave height criteria above 15 knots being prohibited.
- Encourage the concentration of shipping activity in the inner Queen Charlotte Sound and Tory Channel.
- Incorporate a rigorous monitoring framework.
- Review the effectiveness of controls regularly in light of monitoring results and developments in ship building.

TIANZ has a number of concerns with the proposals. These are set out in the following sections:

TIANZ's Concerns with the Proposals

Insufficient consideration is being given to commercial realities

TIANZ is aware that both Interisland Line conventional and fast ferries carried over 1.3 Million passengers over the past year. This is a significant passenger number that is being transported from island to island. These shipping services are effectively part of "State Highway One" and are essential in transporting domestic and international passengers, and also freight between the two islands.

A significant level of capital investment is tied up in shipping vessels owned by companies such as the Interislander Line. The Cook Strait is a rough stretch of water. Vessels of a reasonable size and weight must be used to safely operate across Cook Strait. It is inevitable that such vessels will generate wake. Further to this, the costs of purchasing and operating such vessels require them to be operated at a sufficient speed to ensure frequency and turnaround times enable the service to be viable.

If companies responsible for maintaining the links between the North and South Island are to maintain viability (and achieve a satisfactory level of return on investment to justify remaining involved in this activity), a balance needs to be maintained between ensuring environmental protection in the Marlborough Sounds, and ensuring that shipping vessels can operate without unreasonable hindrance.

Proposals do not reflect the importance of Cook Strait shipping services

The proposals to control speed give little consideration to the contribution that shipping services make to passenger (including tourism), and freight traffic movements nationally, and the direct and indirect economic benefits that are derived from such movements.

Cook Strait shipping operations also create the opportunity for both domestic and international tourists to view the Sounds as a scenic attraction. Without these services passing through the Sound and Tory Channel, the accessibility of the Sounds would be reduced for many tourists, and many tourists would probably not wish to travel on the ferries. This has obvious implications for ferry patronage and revenues.

Speed is a factor in ensuring sustainable shipping services

Proposals to control speed do not acknowledge that speed is a factor in ensuring that ferry services (and therefore the link between the two islands) are commercially viable. We emphasise that this 'viability' is necessary to ensure that shipping operators are prepared to continue to be involved in Cook Strait passenger and freight services.

Proposals might reduce passenger and freight capacity

Speed controls would increase journey times between Picton and Wellington. Speed controls, together with the demands of loading and unloading vessels will result in a reduction in overall services. This will be exacerbated by delays that are routinely caused by bad weather.

We are concerned that all of these factors will result in a drop-off in daily services, reducing capacity on the Cook Strait services. This would have an impact on tourism, both domestic and international.

Applying for resource consents is an expensive and time-consuming process

TIANZ understands that conventional ferries average speeds of around 18-19 knots while travelling through the Sound.

Proposals would require operators to apply for a consent to travel from 15-18 knots. In the absence of such consents, ships would have a speed restriction of 15 knots imposed on them.

TIANZ acknowledges the comments in the discussion document that consents would be granted for an increase to 18 knots where the wave height formula was met. However, this provision ignores the financial and time costs associated with making consent applications. Such costs are exacerbated where applications are notified and appeals are made against applications.

TIANZ is concerned at the increased compliance costs that might be imposed on shipping operators as a result of these speed controls, and any requirement to apply for a consent to exceed speed limits.

Property owners also have responsibilities to protect properties from sea state and wake effects

While we acknowledge that the wake from vessels can have erosion effects, the proposals appear to unfairly place the burden of reducing impacts on shipping operators. Little consideration is being given to the responsibilities that property owners (including jetty facility owners) have in ensuring that their properties are developed to withstand a reasonable level of wake from shipping.

There is a range of stakeholders with interests in the Sound and Tory Channel. Proposals must reflect that all stakeholders should be able to undertake their own

activities while minimising their own impacts on other stakeholders. Proposals appear to presume that property owners rights and "public use" considerations are important while maintaining the vital transport links between the North and South Islands are not. This is particularly the case given that shipping operators already face some speed restrictions, which would be extended by these proposals.

TIANZ opposes these proposals on the grounds that they support the interests of a few, vociferous stakeholders, while ignoring the interests of shipping operators that are preserving a vital link by investing significant capital to maintain Cook Strait ferry operations.

TIANZ wishes to speak to this submission at the appropriate time.

Recommendations

TIANZ recommends that:

- **The draft variation proposed by the Marlborough District Council not proceed.**

*Tourism Industry Association New Zealand (TIANZ)
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