

# **Tourism Industry Association New Zealand (TIANZ)**

## **Evidence for the Department of Conservation Hearings on proposed amended section 4.5 of the draft Fiordland National Park Management Plan**

### **About our industry**

The Tourism Industry Association New Zealand (TIANZ) is a membership-based organisation of approximately 3,000 tourism businesses. Our members range from large airlines to small owner-operator businesses that employ less than five people. Many of our members are businesses that operate on the lands managed by the Department of Conservation (the Department), including the Fiordland National Park (the Park). Their customers are a mix of both New Zealanders and international visitors.

Milford Sound is an iconic natural visitor attraction in New Zealand. It is surrounded by world renowned walking tracks, scenic vistas, wilderness areas and heritage sites. The Park has been associated with more than 100 years of tourism product development and substantial capital investment that has contributed to its iconic and recreational value.

Tourism started in New Zealand at Rotorua, Mt Cook and Milford Sound where the former Tourist Hotel Corporation (THC) built its hotels. Milford is of importance for this historical reason alone, and tourism activity pre-dates the Department's involvement in Fiordland National Park. TIANZ therefore takes an interest in the development of plans and policies developed for the national parks, and Fiordland National Park in particular.

### **Our submission**

This oral submission comments on the amended draft section of the Plan, namely the proposed Aircraft Access (section 4.5) (The Proposal). Our comments especially focus on aircraft activity in and around the Milford Sound area, including the Milford Sound airport.

## **The partnership between tourism and conservation**

TIANZ has facilitated and encouraged closer relationships between the Department and its leaders, and the tourism industry. We were pleased when the Minister of Conservation Chris Carter acknowledged the need to grow the partnership between the Department and our industry at our 2003 Tourism Conference in Queenstown. In his speech on 9 September 2003, the Minister stated that *"increasingly, the economy of whole regions hinges on a tourism industry that harnesses the appeal and recreational opportunities of conservation lands."*

The tourism industry agrees with this view. Our industry wishes to work with the Department to ensure that operators of tourism businesses continue to facilitate visitor access to and enjoyment of our natural areas on a sustainable basis. This approach is increasingly common throughout the world. For example Robert Stanton, Director of the USA National Park Service reasoned in 1999 that "protecting the park values that attract their clients and customers (made sense) because those values help ensure a sustained financial yield over the long term". Commercial clients (ie flight operators) and customers (ie visitors) are equally important members of Fiordland National Park's community of interest.

Members of our industry also wish to continue to provide air services such as search and rescue and transport for DOC's staff and resources.

TIANZ believes there are eight important considerations that militate against the Proposal to redefine air access to Milford. Some are evidence issues, some are process issues, some are issues of justice. They are:

1. A piecemeal rather than strategic approach to management of Fiordland National Park with no evidence of the Limits of Acceptable Change within the Park
2. Aircraft operations are an integral part of overall tourism opportunities available to domestic and international visitors
3. Aircraft operators are long standing 'concessionaires' whose interests rank alongside other clients and customers of the Park
4. The rationale for proposing future types of aircraft is flawed
5. The scientific basis for the conclusions reached by the Department is weak and benchmarks poorly against what is commonly expected in other communities where the footprint of aircraft activities is regulated
6. The timeframe allowed for businesses to adapt to proposed changes is unreasonable and unrealistic
7. Inadequate consultation has been held with the Industry's national body, TIANZ
8. Proposed amendments are indicative of strained relationships.

Each of these is expanded below.

**1. A piecemeal rather than strategic approach to management of the Park with no evidence of the Limits of Acceptable Change within the Park**

Since the publication of Tourism Strategy 2010, it has become increasingly common to expect changes within our environment to be associated with studies into Limits of Acceptable Change (LAC). TIANZ and the Department have both discussed the need for this approach and there are examples (e.g. Franz Josef) where this has been done. However, the Proposal makes no references to any such study. Although TIANZ believes the overall scientific basis for the Proposal is weak, the specific absence of a tool such as LAC analysis is quite serious. Before proceeding further with any proposals this work ought to be specified and commissioned.

Without such information, the industry can only conclude that proposals for Aircraft restrictions indicate a piecemeal rather than strategic approach to the management of Fiordland National Park.

Clearly Milford Sound is an environment that has been modified by tourism activity for at least 100 years. The Department already manages the Sound for high use through the levels of concession activity by boat and coach operations and the associated infrastructure and staff accommodation that exists at the Sound.

To manage the area strategically, the Department first needs to develop a much better understanding of the Sound as a modified environment which already accommodates large numbers of visitors (and is expected to receive even more visitors in the future) and to manage all activities and visitors in an integrated way. The LAC tool is an acceptable method for accomplishing this.

It also needs to be recognised that if visitors can not fly into Milford they will demand to fly elsewhere in Fiordland National Park even if unable to land or required to travel by float plane. Again a strategic view needs to be taken of the park with different product options developed in a planned way for both visitors and recreators.

**2. Aircraft operations are an integral part of overall tourism opportunities available to domestic and international visitors**

Aircraft operations provide more than just access to Milford. Accessibility and enjoyment of our natural areas is provided for in the legislation, strategies and plans that direct and guide the Department's work. The General Policy for National Parks 1983 recognises the value of well managed aircraft operations in providing accessibility to parks.

A location that is the focus of visitor activity will develop a range of products and services that enables visitors to access and experience that location, and this has occurred at Milford. Aircraft services are part of this product mix, which also includes day and overnight boat journeys, kayaking activities, underwater observatories, guided and unguided walks, scenic flight experiences and bus and coach operations.

Aircraft services in the Milford Sound area are used for five key reasons - scenic flights, transporting those taking boat cruises from centres such as Queenstown to the Sound, search and rescue services, wild animal recovery and the transporting of Department of Conservation staff and resources into the Park. In essence, the purpose of these aircraft based services is to enable accessibility and enjoyment of the Park.

Scenic flights are a very popular visitor experience in their own right – a reality that is not recognised in the Report. They also provide accessibility to those who wish to see and recreate in remote locations. Flights also make this area accessible to those who may not be in a position to walk very far (including elderly people and the infirm). Flights are also popular with those who have limited time to visit the Sound, or who do not wish to take a long road journey.

There is also reliance on regular air services to balance the visitor load to Milford throughout the day. Activity operators on the Sound itself (eg Real Journeys and THL) can spread visitor demand over a much longer period than what would be the case if only surface transport were used. This affects the perceptions of visitors by lowering peak flows. For example, Real Journeys' 9am and 3pm cruises are fed largely by visitors who arrive by air, while cruises over the middle of the day cater for those who traveled by road.

On occasions when the Sound is isolated by snowfall the only access is via air. Whilst the Proposal does not alter this, there is little recognition of the utility of flexible air access to assist visitors and operators if circumstances change.

Overall, we believe the Report does not demonstrate a good understanding of the importance of scenic flights at the Sound.

**3. Aircraft operators are long standing concessionaires whose interests rank alongside other clients and customers of the Park**

It is the view of TIANZ that the rights and needs of a key stakeholder group, namely the existing 30 Milford flight operators who are 'de facto' concessionaires seem to have been largely overlooked in putting together these proposed amendments. These flight operators have made significant investments in aircraft, staff training, marketing, quality assurance, premises and the like for many years.

TIANZ is particularly concerned that there has been no analysis and testing of the likely business impacts of the Proposal on affected operators. Particular information gaps include: how requiring the use of larger aircraft will affect the local industry, employment, other associated businesses and infrastructure in the Sound area, as well as accessibility, and the local community and its livelihood.

TIANZ estimates that capital investments associated simply with aircraft disposal and replacement could exceed \$60 million if the Proposal proceeded as drafted. Associated and additional investment would also be incurred for training, support and maintenance. Overall, this represents a significant financial impact on operators and the risks and rewards of doing so have neither been discussed nor acknowledged in the Proposal.

These factors place operators in a precarious position. They will be obliged to assume significant capital risk if they wish to have an opportunity to compete successfully for a concession. To us this is an issue of natural justice, and does not recognise the commercial uncertainties being created by this situation.

**4. The rationale for proposing future types of aircraft is flawed**

The Report recommends the use of larger aircraft as a way of carrying a large number of passengers with less flight movements, thereby reducing noise from aircraft. However, larger aircraft do not provide the same scenic experience as smaller aircraft as a third to half the passengers in a larger aircraft may not be seated by a window. Since many flights from the Sounds are for scenic purposes and not purely for transport purposes, it is reasonable to assume that larger aircraft may result in a degradation of the scenic flight experience and not attract the same numbers of tourists as smaller aircraft.

This raises concerns about the business viability of larger aircraft. The industry fears these proposals may have the unintended consequences of reducing, and even causing the demise of, an important visitor experience that is very popular for good reason in Milford Sound. If the scenic flight segment of their market suffers, some flight operators may not remain in business to provide transport links, search and rescue operations and transport for DOC staff and resources.

Based on feedback we have received from member aircraft operators, the new aircraft types aircraft suggested in the Report are currently incapable of operating at the Milford Airstrip. This is surprising given that one of the conditions in the proposed Plan is that *"the extent of the runway will not exceed its existing footprint."* This is a matter that should have been dealt with unequivocally in the Report.

## **5. The scientific basis for the conclusions reached is weak**

The Report does not provide scientific justification for the proposed amendment. Of particular concern is the absence of measurement details for current noise levels. Moreover, it does not appear that there has been any appreciation of the need to describe the noise levels that might be expected under the proposed restrictions.

If the approach taken by other communities (both here and abroad) living adjacent to airports and flight paths serves as a benchmark, we would have expected to see noise level contour measurements plus their trends over time as supporting evidence of an issue. We question why best practice is deemed unnecessary when business impacts are so large.

The industry is also concerned at the lack of visitor satisfaction data to support the Proposal. A small number of public submissions are mentioned, some of which were from recreational users who belong to organisations in other parts of the country. The Department also quotes research undertaken in 2000 -specifically that "51% of Milford Track walkers and 20% of Sound visitors were annoyed by the level of use that they noticed...". However this same research shows that 42% of Milford Track users were neutral on the topic of noise. Also, it showed that 78% of visitors to the Milford Sound were neutral to the aircraft, or did not notice them, or even enjoyed them (22%).

TIANZ suggests that the Department does not yet have sufficient and definitive empirical evidence to justify the measures proposed which may lead to the loss of capital and livelihood of many of the operators currently in business. More robust and consistent visitor satisfaction research is needed, and the consideration of other options is necessary before concluding that the prescriptive approach proposed by the Department is the right approach to take.

Nowhere in the Report is there the suggestion that the Proposal was arrived at through a process of rigorous examination of a number of options. The Department has proposed aircraft restrictions without recognising and considering other options to reduce aircraft noise over time.

For example, there is no acknowledgement that some operators have already taken steps to introduce new equipment and new technologies to reduce noise. There are already voluntary and effective regimes in place to limit aircraft impacts on attractions such as Sutherland Falls and there could easily be others as well if the Department and operators engage.

Some of the available options that ought to have been examined include:

- Using more modern technology such as three-blade propellers
- Amending flight paths to avoid noise sensitive areas
- Introducing newer aircraft that reduce operating noise levels
- Developing Codes of Practice that co-ordinate noise reduction and other operational issues with other operators.

It is the industry's view that specific flight restrictions should only be introduced as a last resort. Instead the Department has introduced such restrictions without exploring these other options.

In other words, the overall approach taken to arrive at conclusions based on noise emissions lacks process and scientific rigor.

**6. The timeframe allowed for businesses to adapt to proposed changes is unreasonable and unrealistic**

The proposed amendment provides for changes to take place three years after the Plan comes into effect. This timeframe is unreasonable in that it does not provide sufficient time for flight businesses to introduce new technology, re-equip their fleets and determine their future products and operations. It is also clear that the Department has not developed this timeframe in consultation with the industry. It is inconsistent that the Department has proposed this three year timeframe when the Milford Concept Plan (which it was involved in preparing) provides for noise reduction to be achieved over a much more realistic 10-20 year time frame.

**7. Lack of consultation with the national industry body about the proposed amendment**

TIANZ has 3000 members and represents the tourism industry nationally. Yet we were advised by a third party of the proposed amendment. Many aircraft operators are members of the Tourism Industry Association New Zealand, as are the majority of the organisations which bring visitors to the Southern Lakes and Fiordland areas. Tourism is a network business. The delivery of visitor flows into regions is very important. The extent to which the well-being of the local community is reliant upon capital investment from Auckland or overseas should not be underestimated. It is of real concern that the spirit of partnership referred to by the Minister of Conservation did not extend to consultation with TIANZ.

**8. Proposed amendments are indicative of strained relationships between the Department and aircraft operators**

As a final concern, we have discussed the proposed amendments with our member operators, and it is clear there is currently a low level of goodwill and trust between the Milford aircraft operators and the Department. We are concerned at this situation and we believe such a relationship is not conducive to the sustainable management of our natural areas, nor is it consistent with the partnership that is developing between the Department and the tourism industry at a national level. We believe the nature of the proposed amendment reflects these strained relationships.

There are further unexplored opportunities available to both operators and the Department to begin to rebuild trust and goodwill and to consider options that are based more on co-operation and agreement rather than prescription.

The absence of good science and process in arriving at these Proposals raises the risk of judicial review should they be implemented as they stand.

**Further options to explore**

The tourism industry through TIANZ recommends the following to the Department:

- that the Department put aside the proposed amendment on the grounds of logic, fairness and natural justice. We believe these proposals will only perpetuate the current lack of goodwill between operators and the Department

- that the Department undertakes a comprehensive study that examines the relationships between the Park (including Milford) environment and visitor activities, including aircraft. This could use the Levels of Acceptable Change model, or similar. The Department does not yet have the scientific evidence to impose prescriptive activity levels given what little we currently know about this environment. Until such a study can be undertaken, we support visitor satisfaction and noise monitoring as a way of developing a greater understanding of the perceptions of users in the Park
- that the option of developing a Code of Practice similar to that contained in the Mount Cook and Westland National Parks Aircraft Users Group Handbook be explored. This provides agreed operating practices that minimise noise and aim to promote a culture of awareness about the negative aesthetic impacts that aircraft services can have
- that the Department work with aircraft operators to explore other options to reduce noise such as new technology, amended flight paths and any changes to operational practices that can reduce noise
- that the department note TIANZ's comments and suggestions on section 4.5 Air Access in our 14 March 2003 submission to the draft Plan. These comments still apply.

Thank you for the opportunity to present this submission. TIANZ hopes the Committee finds these points both useful and constructive, and offers to assist to resolve these matters in any way it can.

***Tourism Industry Association New Zealand (TIANZ)  
25 November 2004***