



tourism
INDUSTRY
ASSOCIATION NEW ZEALAND

Submission to Environment Canterbury

15 December 2009

Tourism Industry Association New Zealand

(TIA)

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The Tourism Industry Association New Zealand (TIA) opposes the five resource consent applications by Southdown Holdings Limited (listed below):

CRC100224 – a discharge permit to discharge solid effluent onto land and up to 560,000 litres per day of diluted dairy effluent onto land.

CRC100480 – a land use consent to store dairy effluent in ponds.

CRC100481 – a land use consent for a stockholding pad (the cubicle stables).

CRC100482 – a land use consent to excavate land to create effluent storage ponds.

CRC101542 – a discharge permit to discharge contaminants to air from the storage of animal effluent in ponds and the housing of cows in cubicle stables.

Executive summary

- The tourism industry is a bedrock of New Zealand's economy and within it the Mackenzie Basin is a unique and important drawcard. Tourism is a growth industry in the Mackenzie and any proposed changes to existing land use must be carefully considered against the potential negative impact on the visitor experience and the local and national tourism industry
- The Mackenzie Basin faces many challenges including wilding pines, rabbits, hieracium and frost heave, but a move towards highly intensive dairying does not appear to be part of a well considered 'basin plan' that has at its heart, protection of the area's unique and natural values
- TIA has concerns about water quality that have not been quelled after our discussions with the science community; they are the first to admit that the impact of intensive farming practices on water quality is not an exact science and 30 year impact forecasts are simply a professional attempt to extrapolate current thinking
- We also question the pursuit of cubicle-type farming when any benefits are then measured against the threat such farming poses to NZ's pastoral farming reputation and our international brand positioning.

To reinforce our position, in this or any other area, we would be ask decision-makers the following questions:

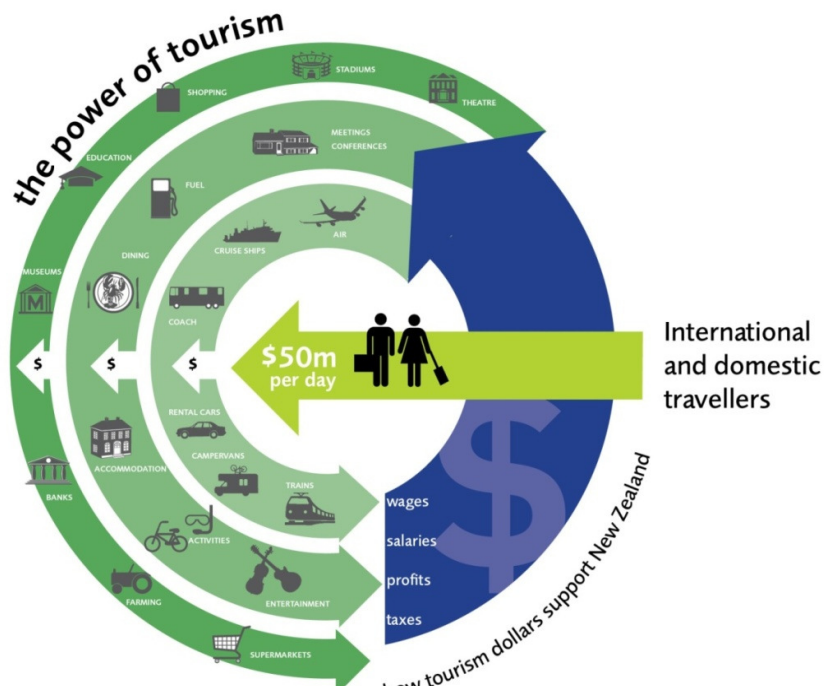
1. Are decisions being made against the backdrop of a clearly agreed *vision* for the Mackenzie Basin?
2. Is the critical importance of natural landscapes and pure water being carefully considered given their profound effect on the visitor experience and the wider tourism industry?
3. Does science guarantee/prove beyond doubt, that water quality will be maintained or improved over the long-term? (within and downstream of the Mackenzie Basin)
4. Will permitting cubicle-type dairy farming be in the best *long-term* interests of NZ Inc (including agriculture and tourism) as we position ourselves in the world market?

If the answer to any one of these questions is not a certain 'yes' then we ask that ECAN decline the application – the risks are simply too great.

Tourism – a bedrock of New Zealand's economy

Tourism takes the lead role in promoting New Zealand to the world. Thanks to our 100% Pure positioning, New Zealand is recognised as one of the most beautiful, unspoiled and scenic places on earth. 100% Pure signifies pride in our country, pride in our people and culture, and pride in the unique environment and experience New Zealand offers.

Tourism is a big contributor to the New Zealand economy as illustrated by the following diagram and figures:

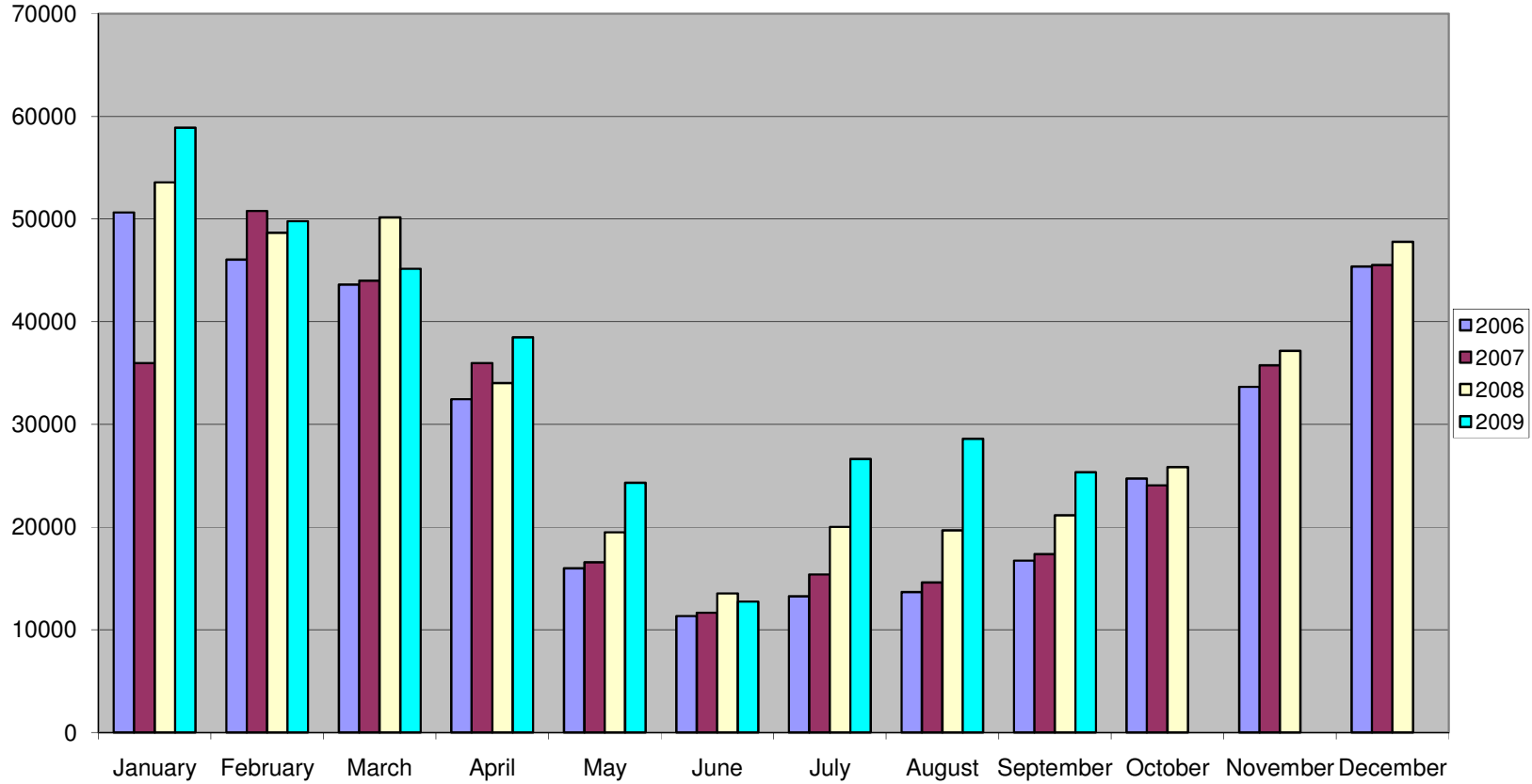


- \$21.7 billion a year industry
- Employs nearly one in ten New Zealanders
- Accounts for approximately 16.4% of New Zealand's foreign exchange earnings
- Accounts for nearly 10% of Gross Domestic Product
- Pumps over \$50 million per day into the economy

How important is tourism to the Mackenzie region?

As can be seen from the Ministry of Tourism data below, tourism is becoming increasingly important to the region's economy. Small communities like Lake Tekapo, Mt Cook, Twizel and Omarama now rely heavily on both summer and winter visitors for their survival. Interestingly, the Mackenzie is enjoying spectacular growth in guest nights relative to the New Zealand average.

September 2009 Guest Nights, Mackenzie



*Total visits by travellers to Mackenzie Regional Tourism Organisation (RTO) are forecast to rise from 884,300 in 2008 to 966,500 in 2015 - an increase of 9.3% (82,200) or 1.3% p.a.

- International visits are expected to increase from 444,100 in 2008 to 510,000 in 2015, representing growth of 65,900 or 14.8%. The share of total visits generated by international visitors is expected to increase from 50.2% to 52.8%.
 - International overnight visits up 35,700 or 14.7% to 279,000
 - International day visits up 30,200 or 15.1% to 231,000
- Domestic visits are expected to increase from 440,200 in 2008 to 456,500 in 2015, representing growth of 16,300 or 3.7%. The share of total visits generated by domestic visitors is expected to decrease from 49.8% to 47.2%.
 - Domestic overnight visits up 8,400 or 2.8% to 303,800
 - Domestic day visits up 8,000 or 5.5% to 152,800

Total visitor nights:

- Total visitor nights in Mackenzie RTO are forecast to rise from 765,900 in 2008 to 822,900 in 2015 - an increase of 7.4% (57,000) or 1.0% p.a.
- International visitor nights are expected to increase from 331,700 in 2008 to 374,800 in 2015, representing growth of 43,100 or 13.0%. The share of total visitor nights generated by international visitors is expected to increase from 43.3% to 45.5%.
- Domestic visitor nights are expected to increase from 434,200 in 2008 to 448,100 in 2015, representing growth of 13,900 or 3.2%. The share of total visitor nights generated by domestic visitors is expected to decrease from 56.7% to 54.5%.

*Ministry of Tourism (TMT) – September 2009

How important is the Mackenzie Basin to the NZ tourism industry?

Over 70% of overseas visitors are drawn to NZ by our remarkable landscape and for both international and domestic visitors the Mackenzie Basin landscape, pure water and fresh air have iconic status. Tourism operators in the area report visitors visibly moved by the power of such natural and spectacular landscape and for many the area has a strong spiritual dimension.

A vast and growing number of activities can be undertaken there – from fishing and hunting, to skiing and tramping.

There is no doubt that the Mackenzie Basin is integral to what makes the wider tourism industry so strong and resilient.

Why does (the scenery) have such a profound effect on visitors?

The Mackenzie Basin is blessed with extraordinary and unique beauty. It is a place of light and colour, of big skies and dramatic untamed landscape that for many inspires self-reflection and personal discovery.

In a highly developed world, it appears almost untouched and it is perhaps the lack of jarring 'unnatural' features that captures the attention of many and provides a truly memorable experience.

Quite simply, it is unique and one of the jewels in New Zealand's crown.

What is the vision for the Mackenzie Basin?

In 2002/03 the Mackenzie District Council undertook a major consultation process for Lake Tekapo (A Shared Vision) and Twizel (The Future Starts Tomorrow). TIA is not aware of a similar exercise being undertaken that encompasses the entire Mackenzie Basin; we believe this is now an imperative.

The current resource consent process brings the value of natural landscapes and water quality into sharp focus. What is the long-term vision for the Basin? If this has not been established, it leaves the door wide open for inappropriate development that may threaten a unique and important part of New Zealand.

The potential impacts on water, air and landscapes need to be carefully considered in any consent process, but none more so than where such values are globally unique.

TIA is concerned that without a cohesive and well considered vision for the Basin, decisions may be made with an eye to short and medium term economic gains rather than long-term sustainability in the broadest sense of the word.

Water and science:

While scientists can tell us a great deal about the short and long-term effects of land intensification on freshwater, by their own admission a number of knowledge gaps exist. These gaps include:

- The structure of aquifers and how water and contaminants move in heterogeneous groundwater systems
- Knowledge of the transport and transformation of contaminants in the unsaturated zone
- Knowledge of time lags in catchments
- Quantification and communication of uncertainty and risk in prediction of groundwater transport and contamination
- Cumulative impacts of land uses on groundwater quality and quantity

All of which are extremely relevant to intensive farming regimes in the Mackenzie Basin.

Scientists are clear that strong links exist between intensive water use and water quality decline, but science, technical information and credibility gaps hold back necessary management changes.

It is these gaps in knowledge that contribute to our lack of support for large scale dairying in the Mackenzie Basin. We advocate strongly for a cautious approach to intensive farming proposals, particularly when they are of large scale, on fragile land linked to some of New Zealand's most beautiful and pure lakes and rivers.

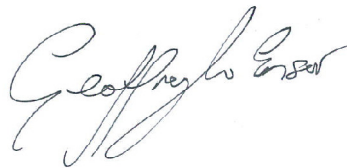
In summary

The Mackenzie Basin is integral to New Zealand's tourism industry and tourism is vital to the region's economic wellbeing. It represents a unique opportunity for New Zealand to nurture and showcase an environment that is nationally and internationally significant. Proposed changes in land use need to be carefully balanced against preservation of the Mackenzie's intrinsic values (including clean air, pure water and natural landscapes) and the importance of these values to local communities, our visitor industry and New Zealand.

We ask to be heard in support of our submission.

A handwritten signature in blue ink, appearing to be 'Tim Cossar', written in a simple, blocky style.

Tim Cossar
CEO

A handwritten signature in blue ink, appearing to be 'Geoff Ensor', written in a cursive, flowing style.

Geoff Ensor
Advocacy Manager