

05 April 2017 By email

GPS Policy Team
Ministry of Transport
PO Box 3175
WELLINGTON 6140

Re: Government Policy Statement on Land Transport

Dear members of the GPS Policy Team,

Tourism Industry Aotearoa (TIA) welcomes the opportunity to comment on the Government Policy Statement (GPS) on Land Transport. We thank you for providing us with the opportunity to make a late submission.

TIA is the peak body for the tourism industry in New Zealand. With over 1,500 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and other activities, attractions and retail, airports and airlines, as well as related tourism services.

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.

The Tourism 2025 growth framework is based around five key themes which are: Insight, Connectivity, Productivity, Visitor Experience and Target for Value. This framework has recently been reviewed ([Tourism 2025-two years on](#)). While the five themes of the framework remain unchanged, the emphasis in some focus areas has shifted. Facilitating infrastructure investment to support tourism growth is one of the themes now being given greater priority.

TIA would like to provide the following feedback on the GPS on Land Transport.

Tourism is booming

Tourism is New Zealand's biggest export industry, earning \$14.5 billion or 20.7% of New Zealand's foreign exchange earnings (year ended March 2016). We welcome the high level recognition in the GPS that the tourism industry is a significant 'impactor' on land transport and the acknowledgment that the industry is forecasting continued growth in international visitor numbers.

Land transport requirements tourism industry

While we are pleased with the recognition of the importance of tourism in the GPS, there is little detail that demonstrates whether the NZTA fully understands the impact of the tourism industry on New Zealand's land transport and the land transport requirements of the tourism industry.

One of our concerns is that the GPS does not map over into tourism-specific actions. For instance, on page 9 there is the statement: '*In addition, tourism growth of regions is putting pressure on regional transport networks and will need to be addressed.*' While this statement is good, there are no actions specified to give effect to it. In the backend of the GPS, where it becomes specific and actionable, the tourism perspective is lost.

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While the GPS cites the MBIE tourism forecasts, there is little evidence that the magnitude of this growth has been considered in terms of the implications for the tourism transport requirements.

This lack of detail makes TIA question whether NZTA fully understands the particular requirements of tourism and or tourists: what makes a quality visitor transport journey? Is it safety, navigation cues and signage, stopping places, etc? There is no reference to this in the GPS.

Also, there is no reference to what international standards or expectations might be – this perspective is particularly important when discussing land transport requirements of the tourism industry. How do international visitors expect our roads to be? What are they used to in their home country?

If you would ask TIA whether *the GPS will provide for the transport needs of tourism to 2027/28*, the answer would be negative due to the lack of detail in the GPS.

Domestic tourism

We propose the GPS makes a particular reference to domestic travellers. Domestic tourism makes up the majority of tourism spend in New Zealand (\$20.2b spend by domestic travellers vs \$14.5b spend by international travellers¹ (YE Mar2016)). New Zealanders took 27.5m domestic leisure day trips and 17.5m overnight trips in the twelve months to July 2016 and 90% of these trips were by road². This clearly shows the importance of domestic travellers and the extensive use of domestic travellers on the national road network and is something that should be discussed in the GPS.

Different user groups

We would like to see greater contextualising of the different user groups, i.e. freight, day-to-day movements and tourism. How many of the vehicle kilometres travelled (VKT) are by each group; how much by international and domestic tourists?

TIA notes the 'pay-as-you-go' nature of the funding model in the GPS. Given this funding model, tourism travellers in fact require that appropriate investment is allocated to address specific needs that will benefit them.

In general, the GPS did not appear oriented to 'user-need' at the level of the various users groups: that is, what the difference groups want and need out of the transport system.

Regional networks

One of the goals in the Tourism 2025 growth framework is improved regional dispersal to spread the value of tourism throughout the country. The road network is important to achieving this. We are encouraged to see that a commitment to economic growth and prosperity (and within that, connections to regional networks) remains a priority for the GPS 2018/19-2027/28.

TIA understands the flow-through from the GPS to the Regional Land Transport Plan and the National Land Transport Programme. It is for this reason that the land transport needs of the tourism industry must be appropriately articulated in the GPS. If they are not articulated in the GPS at a high level, we are concerned they will not be articulated in the plans. As such, it is imperative that tourism needs are provided for in more detail in the GPS, including in the Objective and Activity Class levels, with clear 'reporting on results' requirements.

¹ Source: StatsNZ, *Tourism Satellite Account 2016*, March 2016

² Source: Activating Domestic Tourism – as sourced from <http://dgit.nz>

Safer Journeys Signature Programme - Visiting Drivers project

TIA values the relationship it has with NZTA via the Safer Journeys Signature Programme - Visiting Drivers project. This project has been in place for three years and it is important to the tourism industry that this project continues for the long term.

With more international visitors choosing self-drive options to explore New Zealand, a safe and resilient road network is core to the NZ tourism value proposition. The commitment to a land transport system that is safe and increasingly free of death and serious injury must remain core business for NZTA and the GPS. TIA would like to see stronger commitment in the GPS to this Visiting Drivers project. For example, what amount of funding will NZTA commit to this project up to 2027/28?

Auckland road transport

TIA is leading the development of a National Tourism Infrastructure Assessment. This assessment shows that the Auckland road transport is a priority infrastructure type.

Within the GPS, reference is made to the Auckland Transport Alignment Project which may explain why the Auckland Airport corridors are not specifically mentioned in the GPS. From a whole-of-economy perspective, TIA considers it vitally important that the Auckland Airport corridors are specified as a priority in the GPS given the role of the airport to tourism, high value freight and business connectivity, each of which are rapidly growing. TIA considers that international quality linkages from the main airport to the CBD is a prerequisite for a quality high-value visitor destination. Given that 71.3% of international visitors arrive via Auckland, this is a national concern for the tourism industry.

Future innovations and technology

Although the GPS does discuss the impact of future innovation and technology, and mentions for example that *a staged or adaptive management approach could be necessary to reduce risks because of this future innovation and technology*, we are surprised to see that the expenditure targets assume that the current fuel excise duty and road user charge will continue unchanged.

Ten years previously there would have been no consideration for automatic cars or self-driving cars. The GPS needs to provide the flexibility to cover future innovations and technology that may exist in ten years' time, and have an impact on the roading network and also on the amount of money collected by the fuel excise duty and potentially the road user charges.

Reporting on results

On page 22 the GPS discusses the section 'Reporting on results'. Reflecting on the tourism elements of the GPS, TIA does not see any reporting that will be able to demonstrate success in meeting tourism industry needs relating to the transport system. If this is the case, there are no incentives for the managers of the transport system to invest in meeting tourism needs. TIA is of the opinion that tourism measurables are clearly needed within the GPS.

Tourism 2025

Appendix D of the GPS shows a list of key policy direction documents. This includes documents such as MBIE's Tourism Strategy and NZTA's Safer Journeys Strategy but unfortunately does not include the [Tourism 2025 growth framework](#) as a key policy direction document.

Taking into account the growth in the tourism industry and how the tourism industry is a significant 'impactor' on land transport, TIA is of the opinion that the Tourism 2025 framework should be considered as a key policy direction document.

Whilst not a government policy, the tourism growth framework was partially developed and funded by government and describes in further detail the governments' and industry's intent of the tourism industry.

Additional comments

We suggest the GPS refers to the latest available visitor arrival data. For example, on page 3 the GPS refers to 3.1 million visitor arrivals in 2015. The latest 2016 data show that visitor arrivals were 3.5 million in 2016 (YE Dec. 2016).

TIA wishes to participate further in any follow-up process, including any formal meetings and hearings, to ensure that the needs of the tourism industry and the potential impacts on tourism are adequately represented in the GPS.

Conclusion

Overall, TIA is pleased to see the recognition of the importance of tourism on land transport in the GPS. We are concerned that the GPS does not adequately reflect the impact of the tourism industry on New Zealand's land transport and the land transport requirements of the tourism industry. We are not convinced that the GPS in its current state will provide for the transport needs of the tourism industry to 2027/28.

Please do not hesitate to contact us if you have any queries about our feedback.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. m. Hanrahan', written in a cursive style.

Steve Hanrahan
Advocacy Manager - Tourism Industry Aotearoa

