



**Submission to
Ministry for the Environment
on
Action for Healthy Waterways**

Date: 31 October 2019

TOURISM INDUSTRY AOTEAROA

Level 2 Inspire House, 125 Featherston Street, PO Box 1697, Wellington 6140, New Zealand
P +64 4 499 0104 www.tia.org.nz E info@tia.org.nz

Tourism Industry Aotearoa (TIA) welcomes the opportunity to submit on the range of proposals that make up the consultation documents on Action for Healthy Waterways. Our feedback focuses on two of the proposals - the 'Action for healthy waterways – A discussion document on national direction for our essential freshwater' and the Draft National Policy Statement for Freshwater Management.

This submission is filed without prejudice to TIA's future position. Our ability to prepare a comprehensive submission responding to the draft report relied on the provision by the Ministry for the Environment of information relevant to the connection between the documents and the benefits that would accrue. If any information is provided at a later date, TIA reserves the right to comment further.

EXECUTIVE SUMMARY

1. TIA has been a consistent advocate for improving freshwater quality in New Zealand. We are a long-standing member of the Land and Water Forum (LAWF) and also responded to MfE's freshwater consultation documents in 2016 and 2017.
2. We support the direction and urgency of the current proposals and consider them an incremental shift building on the prior consultations.
3. However, more needs to be done within the proposals to recognise the essential nature of the tourism/freshwater interface. The proposals fall well short of recognising that the tourism industry is reliant on freshwater as part of the suite of resources that makes up 'Destination New Zealand'. Our visitors, be they international or domestic, expect healthy waterways and associated environments.
4. As a consequence the proposals do not describe the nature of the tourism usage – that its use of freshwater is largely non-extractive, that significant value can accrue from non-extractive use of freshwater and associated environments, and that the tourism industry is a primary means of monetising this value.
5. TIA is calling for the addition of Tourism to the list of Other Values within the NPS-FM. In so doing regional councils would then be required to consider the Tourism value within any Freshwater Management Unit (FMU).
6. There has been a lack of tourism representation in the four stakeholder groups convened by MfE during the development of these proposals.

INTRODUCTION

7. TIA is the peak body for the tourism industry in New Zealand. With over 1600 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and other activities, attractions and retail, airports and airlines, transport, as well as related tourism services.
8. 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.
9. Any enquiries relating to this paper should in the first instance be referred to Sam MacKinnon, TIA Policy Analyst at sam.mackinnon@tia.org.nz or by phone on 021 026 72441.

10. We have engaged with various stakeholders during the development of this submission including NZ Professional Fishing Guides Association and Environmental Defence Society. We acknowledge their input and support.
11. Throughout the submission we refer to the 'Action for healthy waterways – A discussion document on national direction for our essential freshwater' as the **Document** and the Draft National Policy Statement for Freshwater Management as the **NPS-FM**.

GENERAL COMMENTS

12. TIA has been a consistent advocate for improving freshwater quality in New Zealand. We were a long-standing member of the Land and Water Forum (LAWF) since the first phase of their work commenced in 2009 through to when it commenced its current recess in 2018. In 2016, TIA responded to MfE's consultation document on Next Steps for Fresh Water. In 2017, when MfE consulted further, this time on the Clean Water proposals, TIA made a comprehensive submission highlighting the importance of healthy freshwater to tourism and raising concerns about the disconnect between LAWF recommendations and government proposals.
13. We support the direction and urgency of the current proposals and consider them an incremental shift building on the prior consultations. These new proposals respond well to the science and if implemented as intended should bring about the required change over time.

Healthy waterways are important to the success of the New Zealand tourism industry. More needs to be done to recognise this in the proposals.

14. We recognise the importance of healthy waterways, and the vital role they play in promoting and supporting human health and healthy freshwater ecosystems. Healthy waterways are also very important to the tourism industry.
15. However, the Document is not explicit enough in recognising the importance of the tourism / freshwater relationship. While it commences promisingly enough with the comment in the context section that '(freshwater) underpins our agricultural, electricity and tourism sectors' the next and last reference to tourism occurs towards the end of the 104-page Document, in Section 10 when noting that a healthy ecosystem for the fishery resource benefits tourism.
16. We acknowledge that the Document strongly focuses on the importance of healthy freshwater for human contact and, by default, tourism is a beneficiary of this. Setting human contact as one of the four Compulsory Values that regional councils must consider within every Freshwater Management Unit (FMU) is clearly beneficial for the tourism industry as is the inclusion of natural form and character within the other values to be taken into account.
17. We believe however, that healthy waterways and associated environments are fundamentally important to Tourism and therefore are seeking that an additional value, Tourism, is added to the current list of Other Values in Appendix 1B in the draft NPS-FM. This would require regional councils to consider if Tourism applies as one of the

Values for that FMU and if so, then explicitly describe the environmental outcomes it wants to achieve for that Value.

The Case for a Tourism Value in the NPS-FM

18. The Document does not reflect what we consider to be the essential nature of the tourism/freshwater interface: that is, *what tourism needs from fresh water to ensure the sustainable growth of the tourism industry.*
19. The suite of resources that makes up the 'Destination New Zealand' proposition includes social characteristics such as friendly people and safety, and environmental characteristics including biodiversity, fresh water and landscapes. As such how we manage fresh water is inherently tied to the well-being of the tourism industry. If visitors perceive New Zealand as having a poor quality of freshwater, then over time this will have a significant detrimental impact on the visitor experience and New Zealand's reputation as a high-value destination. There are countries now where visitors are recommended not to drink the water and to be mindful of foods that have been washed/prepared with freshwater. This cannot be allowed to happen here.
20. The Document fails to describe the nature of the tourism usage and its value – that its use of freshwater is largely non-extractive, that significant value can accrue from non-extractive use of freshwater, and that the tourism industry is a primary means of monetising this value. In so doing, the Document would have signalled that the wealth-generating capacity of New Zealand will be enhanced from ensuring quality freshwater resources.
21. The NPS-FM recognises the economic importance of freshwater to some industry sectors in New Zealand. For example, 'Irrigation, cultivation, and food production' is one of the Other Values being proposed that regional councils must consider when considering the set of Values that apply to an FMU.
22. In our view, Tourism should be added to this list. Fresh water is a pivotal resource for the tourism industry. Tourism relies upon fresh water as a basic resource and it also provides a means for people to enjoy the resources and to monetise value from these resources.
23. We recognise that the value of freshwater to the tourism economy is less tangible compared to some other direct or primary water uses (such as irrigation) but the value ultimately achieved is just as real.
24. At a macro level the tourism industry delivers the following value to New Zealand's economy:
 - Tourism in New Zealand is a \$107 million per day and \$39.1 billion a year industry. Tourism delivers around \$44 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$63 million in economic activity every day.

- The tourism industry directly and indirectly supports 13.5% of the total number of people employed in New Zealand. That means 365,316 people are working in the visitor economy.
- Tourism is New Zealand’s biggest export industry, earning \$16.2 billion or 20.6% of New Zealand’s foreign exchange earnings (year ended March 2018).

25. It is difficult to quantify both the value and volume of visitors, international and domestic, interacting with our waterways and associated environments; this is an insight gap that needs addressing. There is, however, some data which shows the value of freshwater to tourism via some activities:

- The NZTE-developed New Zealand Visitor Activity Forecast provides an indication of freshwater value. For the year 2019, it estimates 11,502,219 visitors (both domestic and international) will interact with freshwater through rafting, kayaking, canoeing, jet boating and fishing.¹ For 2020, it is forecasted that this number will rise to 11,651,620.
- NZ Professional Fishing Guides Association (NZPFGA) research estimates that the economic contribution of guided freshwater fishing to New Zealand ranges from \$28.9m (when assessing the direct benefit to the commercial freshwater fishing sector) to \$96.6m p.a. when the wider benefit to the tourism industry such as accommodation, transport, food and beverage are also taken into account. The figures are regarded as conservative, with unrecognised and unregulated sources making the figures likely to be much higher than stated. NZPFGA also note that a 2014 study estimated the value of freshwater fishing to the economy in Otago alone (one of 12 Fish and Game regions) to be between \$63.7m and \$189m p.a. (Jiang 2014).

26. Much of the value of the tourism/environment interface is in iconic landscape ‘attractiveness’. Landscapes encompass features such as mountains, beaches, rainforests, drylands, volcanoes, lakes and rivers. They are integral components in the suite of resources that make up ‘Destination New Zealand’.

27. Tourism landscape ‘experiences’ range from visitors taking part in activities, to flight-based sightseeing and the campervan style ‘touring economy’. Data from the International Visitor Survey shows that the top factor for influencing visitors to choose New Zealand is our natural landscape and scenery.

a) Spectacular landscapes/natural scenery	46%
b) Always wanted to visit	29%
c) Visit friends/family	28%
d) Friends, family or colleague recommendation	27%
e) Somewhere new/never been there before	25%
f) Environmentally friendly image	21%

28. Freshwater and healthy freshwater ecosystems are fundamental to supporting many of our iconic tourism landscapes. Some landscapes are under threat from changes to land use and increases in population, and potentially from increases in visitor numbers if

¹ NZTE New Zealand Visitor Activity Forecast. Fishing is combined with hunting in the gathering of these statistics.

these are not well managed. In a very visible example, the consenting of irrigation in the Mackenzie Basin greatly altered that landscape. The changed land-use is inconsistent with the iconic nature of the Mackenzie landscape and devalues the region in terms of landscape attractiveness. Another example is the impact of dairying on the Canterbury Plains. The clearing of trees so that irrigators can move across large tracts of land has greatly altered the scenic beauty long associated with that region.

29. How regions manage their landscape related resources for tourism is important and should be integral to planning and resource management decisions. These proposals present a significant opportunity for tourism to be considered within regional freshwater management. To give effect to this we are seeking that a Tourism value is added to the NPS-FM.

Recommended Tourism value for the NPS-FM Appendix 1B

30. We recommend that the NPS-FM Appendix 1B: Other Values includes a description for Tourism that includes:
- a. Freshwater quality and quantity that is suitable to support and promote tourism activity including primary (under-water) and secondary (on-water) contact.
 - b. Providing for adequate and unobstructed access to freshwater to conduct tourism activities.
 - c. Consideration of the impacts of changed land-use on iconic tourism landscapes.

The need for more information on the value of Freshwater to Tourism

31. Freshwater management decisions are currently being made with either no, or at best an ad-hoc regard to the impact on tourism. The current lack of information makes it difficult to appropriately consider the tourism industry when making freshwater related resourcing and planning decisions. The result has seen negative impacts on tourism's value proposition. This is unacceptable for an industry of such importance to the New Zealand economy.
32. Urgent work needs to be done to understand and quantify the value of healthy waterways to tourism in New Zealand. This need will become more pressing as the implementation of the NPS-FM progresses to allocation of resource.

Other Comments

Lack of Tourism Representation

33. The Document refers to the input received from a network of advisory groups as the policy proposals were developed. These are the Freshwater Leaders Group, Te Kāhui Wai Māori, the Science and Technical Advisory Group, and the Regional Sector Water Subgroup. According to the MfE website there are 55 representatives across these four groups. There is no specific tourism representative, and the closest would be Fish & Game representatives. This lack of specific tourism representation is a very poor reflection on the MfE's stakeholder management processes and will have contributed significantly to the lack of tourism focus in the proposals.

Freshwater Commission

34. We support the call by EDS for a “National Freshwater Commission to be established as a stand-alone entity focused on assisting regional councils to implement the reforms by providing scientific advice, support funding, plan-making advice and (where required) direct Ministerial interventions”. Our experience with these Commissions is that, when well-resourced, they provide an entity that can focus on the issues and provide a continuity that endures the political cycle.

Te Mana o te Wai

35. We support the principle of Te Mana o te Wai and the hierarchy of obligations - that the first priority is the health of the water, the second priority is providing for essential human health needs, such as drinking water, and third is other consumption and use.

Other Values - Fishing

36. We support the proposal to make Fishing one of the Other Values that regional councils need to consider for their FMU(s). We are pleased to see that Attributes need to recognise sports fish, salmon and trout, along with indigenous species.

Community-driven approach

37. Local tourism operators work alongside and rely on other sectors within their community to undertake their activities. The agricultural/tourism relationship is an important one, in this case so tourism operators, including fishing guides, can continue to access and utilise freshwater for their activities. As these freshwater proposals are progressed, it is important that the impact on communities is considered ahead of any implementation phases.

Follow up process

38. TIA wishes to participate further in any follow-up process, including any formal meetings, to ensure that the potential impacts on tourism are adequately represented.

BACKGROUND

39. 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 offering 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.

Tourism 2025 and Beyond

40. [Tourism 2025 and Beyond](#) is the New Zealand tourism industry's growth framework. It has been created by industry, for industry and keeps the tourism industry's focus

firmly on growing our value to individuals, communities, the environment, the economy and our visitors. Its development is led by Tourism Industry Aotearoa.

41. Tourism 2025 and Beyond was launched in May 2019 and has a vision of 'Growing a sustainable tourism industry that benefits New Zealanders.' It is closely aligned with the New Zealand-Aotearoa Government Tourism Strategy and takes a balanced scorecard perspective to:

- Make sure our visitors are having great experiences
- Make sure our communities are happy with and benefitting from tourism
- Make sure our environment benefits from tourism, and
- Bring economic success.

End.

