

14 May 2021

Ministry of Business, Innovation and Employment  
PO Box 1473  
Wellington 6140

By email: [responsiblecamping@mbie.govt.nz](mailto:responsiblecamping@mbie.govt.nz)

## **Canterbury Mayoral Forum Submission on the Government's discussion document *Supporting Sustainable Freedom Camping in Aotearoa New Zealand***

1. The Canterbury Mayoral Forum (CMF) thanks the Ministry of Business, Innovation and Employment (MBIE) for the opportunity to make a submission on the discussion document.
2. In this submission the CMF has provided comment on each of the four proposals in the discussion document, as well as on some wider issues with the Freedom Camping Act 2011.

### **Background and context**

3. The CMF comprises the Mayors of the ten territorial local authorities in Canterbury and the Chair of the Canterbury Regional Council (Environment Canterbury), supported by our Chief Executives. The purpose of the Forum is to promote collaboration across the region and increase the effectiveness of local government in meeting the needs of Canterbury's communities.
4. All Canterbury councils actively participate in the Forum: the Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, Waimate and Waitaki District Councils, the Christchurch City Council and the Canterbury Regional Council (Environment Canterbury).

#### ***Mayors standing together for Canterbury.***

Secretariat, E: [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz) W: [www.canterburymayors.org.nz](http://www.canterburymayors.org.nz)  
C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council  
Kaikōura District Council • Mackenzie District Council • Selwyn District Council • Timaru District Council  
Waimakariri District Council • Waimate District Council • Waitaki District Council

5. The following submission has been developed with input from across Canterbury councils. Our submission focuses on matters of general agreement between the members of the CMF.
6. We note that Selwyn District Council, Waitaki District Council, Christchurch City Council and Kaikōura District Council are also making individual submissions. The CMF supports careful consideration of these submissions.

### **Mayoral Forum's *Plan for Canterbury***

7. The CMF published the *Mayoral Forum's Plan for Canterbury* in September 2020, which sets out the CMF's five key priorities in this local government term.
8. One of the key priorities is:  
*shared prosperity through sustainable, value-added primary production, high-value manufacturing, **high-value tourism** and growing, attracting and retaining a skilled workforce, investment and new businesses.*
9. As part of achieving this, the CMF has advocated with central Government for several years for changes to the way in which freedom camping is managed in New Zealand. The CMF has also overseen the development of a South Island Destination Management Plan, which includes commentary on freedom camping and proposes some ideas for change. The Plan's executive summary is **attached** for context.
10. We welcome this opportunity to provide Canterbury's view on how changes to freedom camping can result in higher value tourism for our nation.

### **General comments**

11. The CMF is delighted the Government is progressing reforms to freedom camping and supports the intent of the proposals to improve the freedom camping regime, better protect the environment, remove unfair burdens on communities in some destinations, and lift the quality of tourism.
12. The CMF has previously advocated with Ministers for changes to be made while our borders are closed to international visitors, noting that the current closure offers us a unique opportunity for New Zealand to shape the future of tourism in ways that create decent jobs, benefit communities and enhance our economic, environmental, social and cultural wellbeing.
13. In advocating for this, the CMF has noted that there is not a single view across Canterbury about freedom camping, but there is general agreement that, in terms of the current situation:
  - providing infrastructure to support responsible freedom camping has come at a cost that may not be fully offset by freedom camper spending
  - the problem continues to be primarily with non-self-contained (or pseudo-self-contained) vehicles
  - leaving it to each territorial authority to determine its own bylaws has not been a satisfactory solution and there is a need for a consistent approach across councils, the Department of Conservation, Land Information New Zealand, KiwiRail and Waka Kotahi New Zealand Transport Agency.

14. Freedom camping affects districts across Canterbury differently. Some have significant issues with freedom campers, while others have little problems. Because of this, there is a varied approach to managing it, with some districts using specialist freedom camping bylaws to restrict or prohibit camping in certain areas and limit camping to self-contained vehicles, using existing bylaws for camping, littering and parks to restrict or prohibit camping in certain areas, or for those districts with little problems from freedom camping, addressing issues as and when they arise.
15. While the flexibility in the current legislation allows districts to respond in the way best suited to their local areas, the inconsistency makes it hard for tourists to understand what is expected across the region and consequently makes enforceability (and cost recovery for infringements) difficult. The CMF therefore strongly supports any move to create greater consistency of the freedom camping regime.
16. While we are supportive of the intent of the proposals, the CMF considers the proposed changes need to go further, and a review of the key principles of the Freedom Camping Act 2011 is urgently required. We note this is out of scope of the discussion document, but given the importance of this to the Forum, we provide some further comments on this later in the submission. We ask that this be given due consideration alongside the other matters raised in this submission.

## **Comment on discussion document proposals**

17. Comments are provided below on the four proposals.

### **Proposal 1: Make it mandatory for freedom camping in a vehicle to be done in a certified self-contained vehicle**

18. The CMF considers this proposal would effectively target the vehicle types that are causing many community concerns about freedom camping. As the CMF has identified previously, freedom camping problems continue to be primarily with non-self-contained (or pseudo-self-contained) vehicles.
19. In requiring freedom camping vehicles to be certified as self-contained, it sends a strong message about the type of behaviour New Zealanders expect from freedom campers, and ensures vehicle owners meet a minimum standard. As we note later in this submission, changing the self-contained standards from voluntary to mandatory is a significant and much-needed step forward in this area.
20. However, we note that this proposal would still allow people to sleep in non-certified vehicles in places not covered by the Act – for example conservation campgrounds and private land. Further, people could still freedom camp in tents (except where this is restricted by freedom camping bylaws and notices). We also note that compliance costs for vehicle owners could be high, reducing or restricting New Zealand residents who enjoy freedom camping but will not be able to afford to convert their vehicles to meet the standard.
21. We are particularly concerned about the potential loophole for freedom campers to simply buy or rent a cheap vehicle and tent and continue freedom camping as they have in the past. With sleeping in a tent not being captured by Proposal 1, we may find that “budget” freedom campers, who have largely been the problem, will just switch from vans to tenting, meaning the problem the changes seek to solve will not be adequately fixed. This will place greater

responsibility on local authorities to create new, or amend current, bylaws to ensure this is captured.

22. In light of the above, we are therefore concerned that this proposal may not go far enough to deal with the full extent of the problem freedom campers can present for our environment and communities.

### **Proposal 2: Make it mandatory for freedom campers to stay in a vehicle that is certified self-contained, unless they are staying at a site with toilet facilities**

23. The CMF agrees that this option would deliver a nationally consistent requirement for access to toilet facilities, and will influence positive behaviour changes by freedom campers. We are pleased to see that this proposal means there is no loophole for freedom camping in tents, which is something we see as a gap in Proposal 1.
24. We agree with the discussion document's assertion that Proposal 2 would offer a stronger incentive for campers to travel in self-contained vehicles, as it would open them up to a wider range of places to stay. At the same time, it would still allow campers to use non-self-contained vehicles if they ensure they camp at locations with toilets.
25. A concern we have about Proposal 2, however, is that regional parks are an exception. The discussion document notes one of the consequences of this option is that it may drive more campers to simply choose regional parks to camp at, thereby avoiding the new regime entirely. This will clearly require increased monitoring and enforcement resources by regional councils, possibly significantly so.
26. In addition, the CMF notes that many public toilets are in fact locked at night to prevent vandalism, while others are on reserve land (where camping is prohibited). This may lead to more confusion for freedom campers about where to stay.
27. On balance, however, we consider that Proposal 2 (coupled with proposals 3 and 4 below) is a more effective option than Proposal 1 above.
28. We note that both options still put the onus on councils to restrict or prohibit freedom camping in their regions. We are strongly of the view (as discussed later in this submission) that if the intent of the Act was reversed to assume freedom camping is not permitted unless expressly provided for, local authorities' roles in monitoring and enforcing the freedom camping regime would be easier and more efficient, regardless of whether Proposal 1, 2 or something similar is ultimately chosen.
29. Nonetheless, we support any move to improve the level of self-containment for freedom camping vehicles, and consider that in conjunction with proposals 3 and 4, either Proposal 1 or 2 would still go a long way to improving current issues with freedom camping across New Zealand.

### **Proposal 3: Improve the regulatory tools for government land managers**

#### ***Stronger infringement scheme***

30. The CMF supports the proposals for a stronger infringement scheme.

31. This would allow local authorities to give higher fines for a range of offences, enabling improved cost recovery for the often significant efforts by local authority staff involved in monitoring and enforcing freedom camping regulations.
32. We also support requiring vehicle rental companies to pass on fines to people that have hired their vehicles. The discretionary way in which rental companies can currently choose whether or not to do this is a clear gap in the current system. Rental companies are best placed to recover infringement fees from vehicle renters and should be made accountable for this.
33. The CMF also notes these proposals are a good opportunity to address the inconsistencies between the Reserves Act and the Freedom Camping Act. Addressing this could be through making a breach of s44 of the Reserves Act an infringeable offence, or making the Freedom Camping Act apply to land managed as reserved land.
34. Finally, we consider the proposals to clamp or confiscate vehicles need further and careful thought. The practicalities and implications for freedom campers of making someone's accommodation and transport immovable or inaccessible are problematic, and enforcement would clearly increase administrative and practical costs for local authorities.

### ***Regulatory system for self-contained vehicles***

35. The CMF strongly supports introducing a comprehensive and strict regulatory system for self-contained vehicles. This, coupled with a strengthened standard (as discussed in the next section), is key to a vastly improved system for managing freedom camping.
36. National oversight of legislated requirements for self-contained vehicles would pave the way for two significant issues with the current regime to be resolved: a centralised register of certified vehicles and consistent oversight of certification standards.
37. A centralised register would make it easy for local authorities to verify that a vehicle is compliant, as well as whether the owner(s) had previously been issued warnings or fines, thereby further supporting enforcement efforts.
38. The disjointed and uncoordinated way in which certification is currently applied means there is a lack of consistency across the country, resulting in varying interpretations of what is required. The CMF supports any measure that would provide for nationwide consistency of the application of the standards.
39. We do not have a strong view on whether a new agency should be established for this purpose, or whether the regulatory powers should sit with a current government department or agency. While it seems sensible for MBIE to continue its role in freedom camping and assume new regulatory powers, there are also good arguments for establishing a standalone agency with clear purposes and responsibilities. We suggest further work in this area to better understand the implications of either option.

### ***Local authorities' role in enforcing rules on other government-owned land***

40. The CMF agrees that the current situation, whereby the Freedom Camping Act 2011 only covers local authority areas and the conservation estate and not all government-owned or managed land, means there can be a lack of consistency in approach to managing freedom camping in a local authority area.

41. While we support any measure to improve consistency across the board, we note that addressing this by allowing local authorities to act as enforcement agents on government-owned land (except the conservation estate) could mean more enforcement resources are required by councils to meet the requirements. Clearly, councils would need and certainly expect resourcing support from central government if it were to take on enforcement duties for additional tracts of land. This support could be through, for example, reinstating the Responsible Camping Fund.

#### **Proposal 4: Strengthen the requirements for self-contained vehicles**

42. The CMF has been advocating for strengthened requirements for self-contained vehicles for some time. We strongly support changes in this area, as noted in our comments to proposals 1 and 2 in this submission.
43. The most obvious necessary change is to make the standard mandatory, rather than simply voluntary, so it can actually be enforced. A mandatory standard, sitting within an enforceable regulatory regime, would be an immense step forward for responsible camping in New Zealand.
44. We agree that the responsibility for certifying vehicles as self-contained would most appropriately sit with the Plumbers, Gasfitters and Drainlayers Board.
45. Aside from making the standard mandatory, the CMF considers the definition of “toilet” in the standard needs tightening up to ensure vehicle owners or renters are clear on what is required, and that the definition of “toilet” is adequate to be effectively used by vehicle renters or purchasers.
46. We echo the comments of the Parliamentary Commissioner for the Environment on this matter, who notes that for smaller vehicles, meeting the current requirements effectively means just installing a “small plastic box” near the bed and living area. This is clearly not the intention of the standard, and it should be reviewed accordingly.
47. It is disappointing to note the findings of recent MBIE research that showed many international visitors did not use the toilet in the vehicle they rented or hired (as referenced on page 13 of the discussion document). It is interesting, however, that nearly 75% of campers who hired a premium vehicle that met the current standard used the onboard toilet facilities (in comparison to the 28% that hired or purchased a “budget” self-contained vehicle). Further work is clearly needed to ensure onboard toilets are designed appropriately to encourage better use by self-contained vehicles, and budget ones particularly.
48. One way forward, as noted in the discussion document, is to amend the standard so that fixed, plumbed toilets are the only acceptable toilets for self-contained vehicles to gain certification. However, we consider further work is still needed to determine whether this is the best option. It may be that strengthening the standard to remove the least effective and/or least likely to be used toilets (such as portable and cassette toilets, for example), would result in the same improved outcomes as requiring permanent, plumbed toilets.
49. Furthermore, there are practical privacy concerns, hygiene considerations, and odour and ventilation issues when considering what constitutes a toilet and where it should go in a vehicle. The new requirements should reflect an appropriately high standard to address these matters.

50. As noted above, we consider that both a strengthened standard and a national regulatory regime are urgently required. Together, these will make a significant difference to the freedom camping issues currently experienced by local authorities and communities.

### **Other matters: Review of Freedom Camping Act 2011**

51. Although out of scope of this discussion document, the CMF urges a more fulsome review of the Freedom Camping Act 2011; in particular, a reconsideration of the overarching principle of the legislation that freedom camping is permitted unless councils or the Department of Conservation have restricted or prohibited it in certain places.
52. The CMF notes that the Act was put in place for a specific purpose – to manage the expected influx of Rugby World Cup visitors in 2011. It was drafted and enacted quickly, and we question how much consideration was given at the time to the impact on local authorities, infrastructure or the communities they serve. The number of freedom campers continued to grow significantly after the world cup, creating the problems experienced by communities up until the COVID-19 pandemic affected international tourism.
53. While the CMF is supportive of the intent of the Act, we remain of the view that the key principle of the legislation needs to be reversed so that freedom camping is prohibited unless expressly permitted by a council, rather than the current default setting allowing it anywhere except areas it is restricted or prohibited. This would give councils greater ability to determine the areas within their localities that are appropriate for freedom camping, and work in partnership with each other to take a more coordinated and strategic approach to the issue.
54. The issue of freedom camping, and the priority of value over volume emerged in stage 1 of the project to develop a South Island Destination Management Plan, an initiative of the Local Government Zone 5 and 6 groups and the CMF. There was clear agreement amongst these groups that amending the onus and intent of the Act was the best outcome for communities. The issue of community social licence is inextricably linked to high-profile issues like freedom camping and degradation of sites, and community concerns about how their environments are treated and respected by freedom campers. As noted earlier, a copy of the executive summary of this Plan is attached for context.
55. Finally, the CMF would like to reiterate that the closure of New Zealand's border during the COVID-19 pandemic is an opportunity to reconsider the future of tourism in New Zealand to make changes to increase the value each visitor brings to our country while ensuring tourism is sustainable and maintains a social licence to operate. The value of each visitor also needs to be measured in terms of the wide body air freight capacity that tourist flights bring to the New Zealand and in particular to the South Island to support the export of NZ commodities. This capacity was already constrained pre COVID-19 and further changes should look to a maximise our export potential alongside visitor value. We must use this opportunity to create a tourism sector that gives back more than it takes.

## Conclusion

56. Thank you once again for the opportunity to make a submission on this discussion document.
57. Our Secretariat is available to provide any further information or answer any questions MBIE may have about our submission. Contact details are: Maree McNeilly, Canterbury Mayoral Forum Secretariat, [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz) , 027 381 8924.

Ngā mihi

A handwritten signature in black ink, appearing to be 'S Broughton', with a long horizontal stroke extending to the right.

Sam Broughton  
Mayor, Selwyn District Council  
Chair, Canterbury Mayoral Forum



# **Te Wai Pounamu - South Island Destination Management Plan 2020-2030**

## **Executive Summary**

**An initiative of South Island  
Mayors**



## About this document

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This document is an initiative of the South Island Mayors. It has been driven by a Project Steering Group comprising a number of representatives of South Island Mayors, with the involvement of MBIE, DOC and other government agencies, and developed by Stafford Strategy, with data support from Fresh Info. It is a result of a detailed 18- month process to achieve the South Island's aspirations for tourism out to 2030.

Members of the Project Steering Group were: Sam Broughton (Chair and Mayor of Selwyn Council, , Abby Cheeseman (Principal Advisor MBIE ), Tinaka Mearns (Manager Regional Visitor Planning DOC ), Loren Heaphy (General Manager Destination and Attraction, ChristchurchNZ), Richard Kempthorne (now retired, Mayor of Tasman), Jim Boulton (Mayor of Queenstown Lakes), Gary Tong (Mayor of Southland), Chris McKenzie then Kevin Stratful (Destination West Coast Economic Development Managers), Joanna Norris (CEO ChristchurchNZ), Jacqui Lloyd (General Manager Destination Marlborough), Dean Heiford (Economic Development Manager Economic, Community and Support Services, Marlborough District Council), John Christie (Director Enterprise Dunedin), Mark Rawson (CEO Nelson Regional Development Agency), Ann Lockhart (Interim Chief Executive Southland Regional Development Agency). The coordination of the project has been provided by Warren Gilbertson, from ECAN..

This document is a summary of the full South Island DMP which has been produced. The full South Island DMP should be read in conjunction with this summary document.



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## Te Waipounamu - The South Island

Home to many of New Zealand's major tourism icons, Te Waipounamu (New Zealand's South Island) is an exciting and captivating visitor destination. With its dramatic landscapes, rugged seascapes, rich and colourful history and vibrant culture, it serves as a truly unique backdrop for holidays and other purposes, to a wide diversity of visitors.

With the success of Tourism New Zealand's 100% Pure destination marketing campaign, as well as the popularity of blockbuster movies, such as the *Lord of the Rings* Trilogy, *The Lion, The Witch and The Wardrobe* and *Wolverine*, the South Island has become a destination which has garnered strong global interest and is a bucket list item for many travellers.

In 2018, New Zealand welcomed over **3.8 million** international visitors and **1.7 million** of these travelled to the South Island, most on holiday. These international visitors to the South Island also contributed over **\$4.6 billion** in spend.

But the South Island is not only popular for international visitors, with **18.1 million** trips to and within the South Island being undertaken by Kiwis on holiday, to visit friends and relatives and for business purposes. These domestic visitors spent **\$5.6 billion** in 2018.

The appeal of the South Island and its various destinations can be largely attributed to the following experience categories and assets.



**Nature-based experiences** - leveraging off the South Island's dramatic landscapes and extensive conservation estate and which provides visitors with the opportunity to undertake high-quality walks and bike rides; wildlife-watching; relaxing in natural hot pools; and scenic drives, cruises and flights, just to name a few.



**Adventure product** - which provides visitors with the opportunity to connect with our landscape while being physically active at the same time. Experiences include sky diving, jet boating, mountain biking, bungee jumping, zorbing etc. Queenstown, in particular, is well-known globally as an adventure tourism playground.



**NZ Tourism Icons** - globally renowned tourism icons including Milford Sound, Aoraki/Mount Cook, Lake Tekapo, Franz Josef Glacier and Fox Glacier.



**Food & wine** - the South Island offers exciting culinary delights to appeal to even the most discerning foodie, from its world-class wine regions to high-quality boutique produce. The South Island is renowned for its seafood (including the world-famous, Bluff Oyster), dairy, fruit and high-quality meat.



**Snowsports** - the South Island is fortunate to have a plethora of options for snow-based activities, ranging from wide-open slopes for beginners to heli-skiing and backcountry touring for the more experienced. Particularly well-known ski resorts include The Remarkables, Coronet Peak, Cardrona, Treble Cone, Porters and Mt Hutt.



**Heritage & arts** - New Zealand may be a "young" country, but the South Island offers renowned heritage architecture, museums and art galleries that appeal to fervent arts and culture buffs.



## Why tourism?

Tourism has been identified as an industry which offers **“some of the best opportunities for [New Zealand’s] future economic prosperity”**.<sup>1</sup> The sector is significant for New Zealand:

- being the country’s **largest export** earner;
- generating **\$4.39 billion** in GDP for the South Island alone; and
- offering approximately **66,000 filled jobs**<sup>2</sup> – in the South Island with many in regional areas, helping less populous communities to prosper – while also feeding into other sectors such as food and beverage, retail, transport, health and construction.

The sector is also projected to be one of the fastest-growing industries globally.

Importantly, tourism is a sector which is not standalone: it cuts across many different industries and its growth positively impacts on traditional tourism sectors such as accommodation and hospitality, to those sectors not traditionally perceived as being related to tourism including manufacturing, health and education.

Its economic benefits are widespread, impacting both metropolitan and regional areas through the supply of goods and services.

## Why destination management?

Destination management is the coordinated management of all elements that make up a destination, these include

placing a priority on social license, sustainability and carbon impacts, the provision of visitor infrastructure, attracting and managing investment into attractions, amenities, access, marketing and pricing.

Quite simply, at its core, destination management is no more than people working together in a defined area to develop a plan, which **satisfies visitor desires** and **delivers sustainable benefits** for the **community**. It is as much about considering residents’ desires and the **destination’s long-term sustainability**, as it is about visitor demands.

## Being ambitious for tourism in the South Island

This **Destination Management Plan (DMP)** was commissioned by the South Island Mayors after 3-4 years of consideration. The DMP has been developed to:

- recognise how domestic and international visitors flow through all our regions.
- identify the infrastructure and attractions we need to cater for current and projected visitor flows.
- establish agreed priorities for local and central government infrastructure investment.
- complement visitor *attraction* activity with co-ordinated destination *management*, to ensure sustainable South Island tourism outcomes.
- ensures that tourism, and the infrastructure provided for visitors and host communities, benefits our communities and maintains a ‘social licence to operate’.

- benefits both visitors and host communities i.e. the economic and social value of tourism to our communities, and maintain a ‘social licence to operate’ within our own communities; and
- leverage government investment in infrastructure through facilities including the Provincial Growth Fund and Tourism Infrastructure Fund, if required.

**This is a strategy for the entire South Island – one which requires the tourism sector, government departments, agencies, Iwi and the wider community to work collaboratively, to get behind a clear ambition for the South Island’s visitor economy.**

## The need for greater sustainability

The South Island and the diverse experiences on offer are a key drawcard for visitors for New Zealand. With rising visitor interest in the South Island, there is a need to manage tourism growth in a sustainable manner to ensure our environment is being well protected and that our communities are satisfied this is occurring.

**Because the visitor economy covers many sectors, everyone – residents and businesses - should be involved in destination management.**

A sustainable visitor economy is one that takes full account of its current and future economic, social, cultural and environmental impacts, addressing the needs of visitors, the industry, the environment and the host community. It is multi-layered and multi-faceted.

<sup>1</sup> Shaping our slice of heaven 2017, Deloitte

<sup>2</sup> Filled jobs include all part-time and full-time employees plus working proprietors in businesses that have employees.

## The visitor economy is a key driver of growth in the South Island<sup>3</sup>

### Summary of visitor data

The visitor economy plays a vital role in New Zealand and in the South Island specifically. In 2018, the sector accounted for **one in eight filled jobs**<sup>4</sup> in the South Island and generated **\$4.39b** in GDP (accounting for more than **30%** of New Zealand's total GDP).

Equally important are the less tangible benefits which tourism generates including making the South Island such an attractive place to live and work through the provision of infrastructure, events, experiences and attractions.

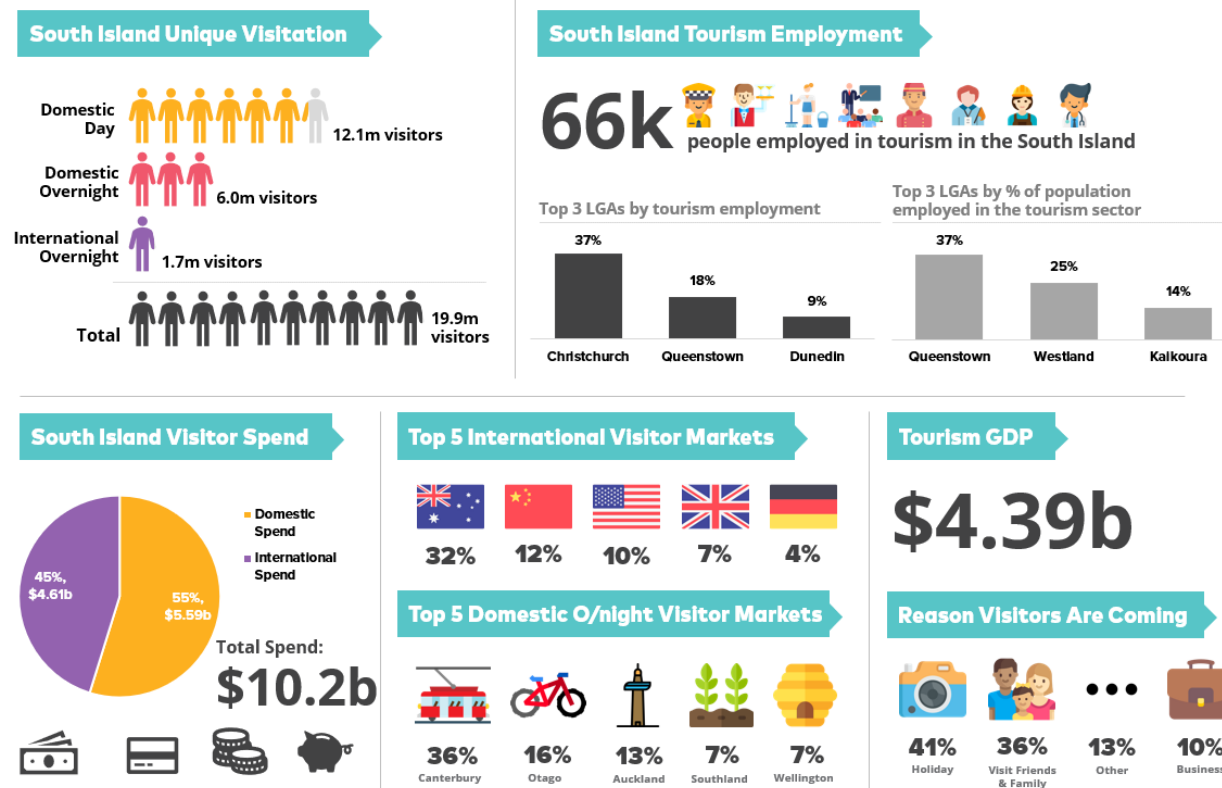
Visitation to the South Island is growing, spurred on, in part, by the success of the 100% Pure campaign and the global tourism boom<sup>5</sup>. In 2018, the South Island received **19.9m unique**<sup>6</sup> visitors, 61% of whom were domestic day trippers<sup>7</sup>. Visitors to the South Island spent **\$10.2 billion** (comprising 35% of all visitor spend in New Zealand), and, over the last 10 years, spend by visitors has grown by **over 55%** (or an additional \$3.73b).

Although international overnight visitors made up only 9% of visitation in 2018, **they accounted for almost half of all visitor spend (45%)** in the South Island demonstrating the value of this market. International visitors typically spend more per trip than domestic visitors because they often travel to the South Island for longer trips.

The domestic market, however, is also important. It accounts for **89%** of all visitation and spending of **\$5.6b** (which equates to 32% of all domestic spend in New Zealand). The domestic market also has a greater propensity to visit in the shoulder and low seasons, as opposed to the international market which tends to be heavily focused on peak visitation periods.

The economic and social benefits of the visitor economy are gradually being shared across the South Island. Upgraded transport links, higher quality accommodation, stronger food and beverage offerings and new and exciting experiences support the need for visitors and locals to explore beyond traditional tourism routes.

Figure 1: South Island Visitation Summary (2018)



<sup>3</sup> **South Island Unique Visitation:** FreshInfo, sourced and compiled via NZ IVS microdata and NZ AA Domestic Travel Survey; **South Island Tourism Employment:** TLA Infometrics Profile (for those TLAs without an Infometrics profile, averages were used based on the TLA's population and tourism employment intensities from similar destinations). Note this represents jobs filled, not FTE employment; **South Island Visitor Spend:** NZ MRTes; **Top 5 International and Domestic Visitor Markets:** FreshInfo, sourced and compiled via NZ IVS microdata and NZ AA Domestic Travel Survey; **Tourism GDP:** TLA Infometrics Profile (for those TLAs without an Infometrics profile, an average was determined from those destinations with Infometrics profiles and this was applied to each TLAs GDP data); **Reason Visitors are coming:** FreshInfo, sourced and compiled via NZ IVS microdata and NZ AA Domestic Travel Survey.

<sup>4</sup> Filled jobs include all part-time and full-time employees plus working proprietors in businesses that have employees.

<sup>5</sup> Tourism's boom is not universally welcome, The Economist, February 20 2019, <https://www.economist.com/graphic-detail/2019/02/20/tourisms-boom-is-not-universally-welcome>

<sup>6</sup> If a visitor travels to the South Island and visits multiple different TLAs, they are classed as 1 unique visitor. If this visitor travels to the South Island twice over the period of a year, they are classed as two separate unique visitors.

<sup>7</sup> A domestic day trip is defined by MBIE as a trip made within 1 day, outside the area in which the respondent usually lives or works day to day, involving travel of at least 40km one way from home, or travel by aeroplane or ferry service. By way of example, a resident from Christchurch who travels to Oamaru 5 hours and then returns home is considered a domestic day tripper to Oamaru.



## Our vision

A scenic landscape featuring a dirt road winding through a field of purple heather. In the background, a large, rugged rock formation rises against a cloudy sky. Several cyclists are riding along the road, and a small dog is visible on the right side. The text is overlaid on the image, enclosed in large quotation marks.

*“Our visitors (both Kiwis and overseas visitors) will be invigorated by the South Island experiences we offer, stimulating them to explore more widely and encouraging them to respect our environment, culture and communities.”*



## Strategic aims

To guide the sustainable development of the visitor economy in the South Island, a number of strategic aims have been identified and are outlined in Figure 2 (note these are not in any priority order).

**Importantly, to achieve these strategic aims will require fundamental changes across the sector going forward. A “do nothing” scenario will not address the challenges being faced nor will it allow the South Island to capitalise and leverage off the many opportunities that exist. Sustainable and strategic change, therefore, needs to be embraced, including structural reforms.**

Figure 2: DMP Strategic Aims



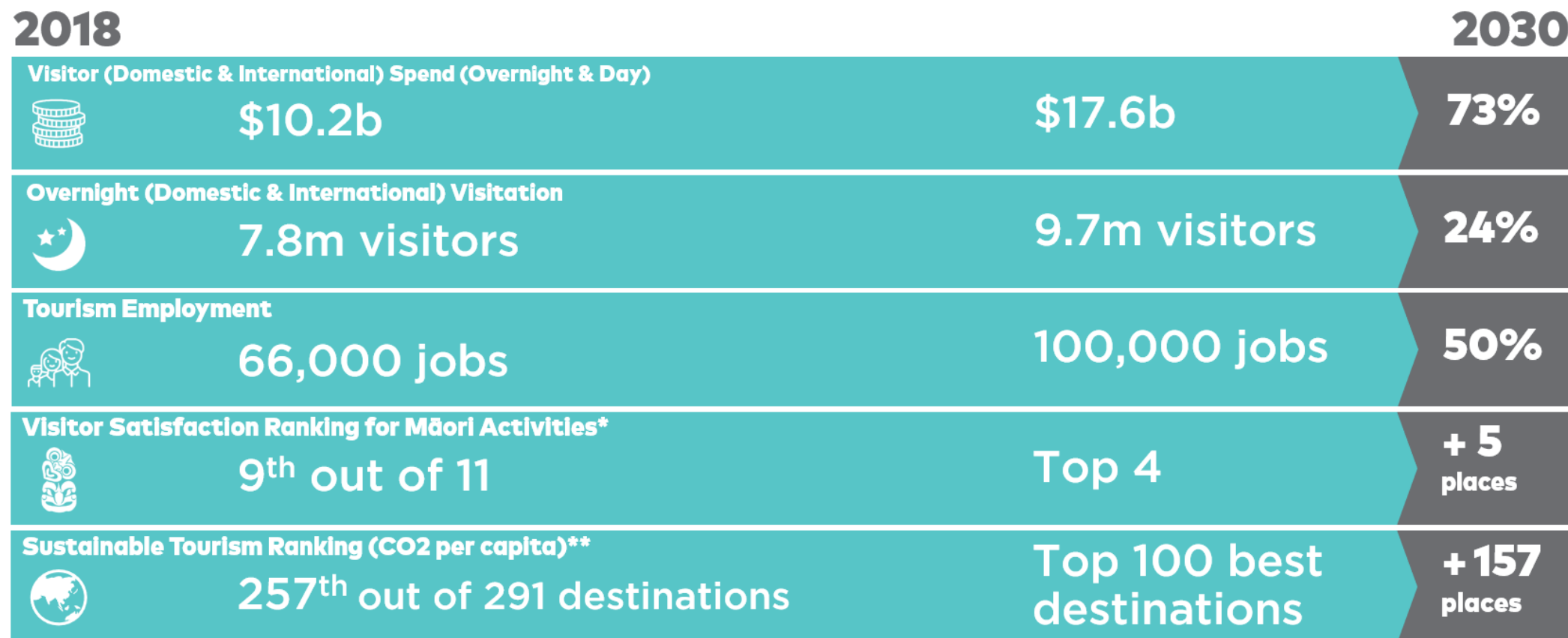


## Our goals/targets for success

In addition to the strategic aims highlighted in the previous section, there are a number of goals or targets for success. These are outlined in Figure 3. These goals provide quantifiable metrics to measure the progress and success of the implementation of recommendations outlined in this DMP. They are focused on the following areas:

- **visitor spend** to measure the growth of yield (rather than volume);
- **overnight visitation**, again as a metric to measure yield (overnight visitors generally have a greater economic impact than day visitors)
- **tourism employment** to demonstrate social uplift to local communities (stronger local employment);
- **visitor satisfaction** ranking for Māori activities to measure (in part) what visitors are expecting to take away from a Māori experience; and
- New Zealand's **sustainable tourism ranking** to assess tourism's footprint on the environment.

Figure 3: Our Goals



\*2017 data, based on MBIE's International Visitor Experience Report (<https://www.mbie.govt.nz/assets/fedce7750c/visitor-experience-report.pdf>). Note this data does not provide a separate for North and South Island experiences so this is a national score.

\*\* Ranking based on Per Capita CO2 (kg) ranking from the Griffith Universities Global Sustainable Tourism Dashboard (<https://www.tourismdashboard.org/explore-the-data/carbon-emissions/>)

## About the recommendations

The following outlines the process adopted to help improve sustainability including meeting the six Strategic Aims. These are needed to offer futureproofing and to help maintain and grow the South Islands competitive edge as a globally significant destination. Our sustainability and competitiveness as a visitor destination must be strengthened through greater investment in infrastructure and product, regulatory/policy reform, improved governance, greater efficiencies and better service standards.

**191** recommendations have been identified. These have been categorised according to whether they are **Building Blocks** or actual **Development and Investment Projects**.

- **Building Blocks:** The Building Blocks, while not being “ribbon cutting” projects, are important because they will assist in (amongst others) upskilling industry, enhancing the structure of tourism, improving operators’ digital presence, policy creation/amendment and enabling stronger collaboration.
- **Development and Investment Projects:** these include tangible tourism development and investment projects for the South Island. They include infrastructure as well as product development (accommodation, attractions and experiences).

Because the list of recommendations is extensive, they have been prioritised into three tiers according to their potential impact and benefit, described in Figure 4.

## The recommendations

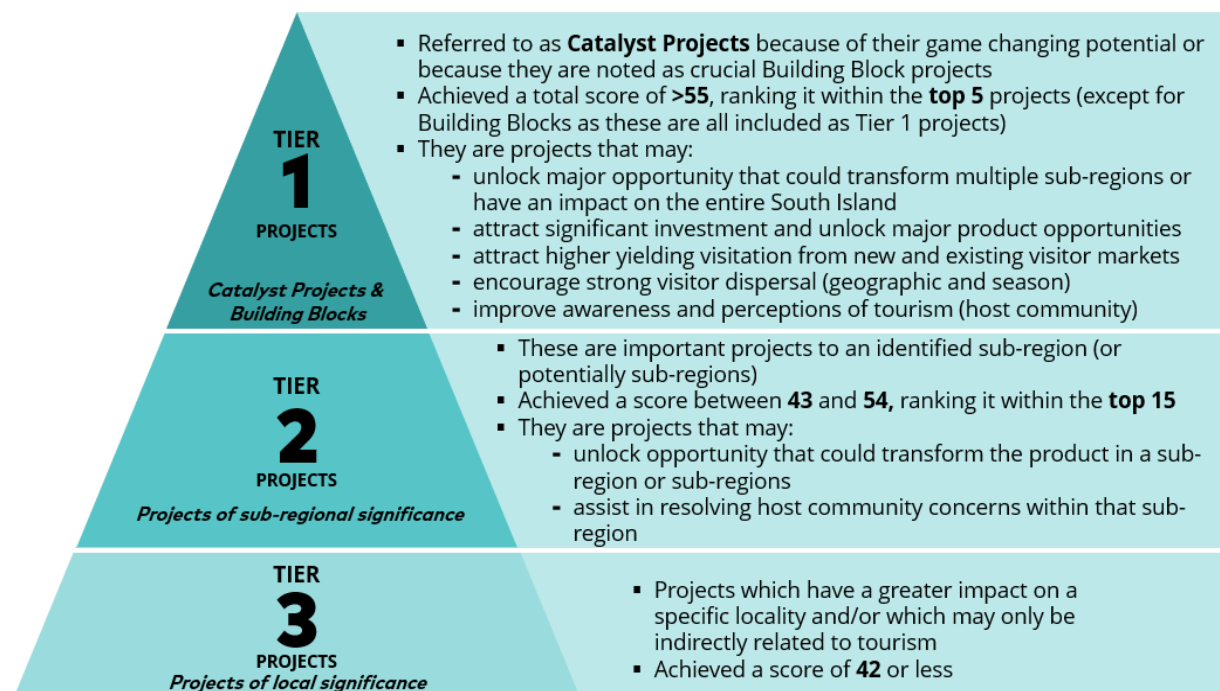
**191** recommendations have been identified, **177** of these being Development and Investment Projects and the remaining **14** being Building Block recommendations. These recommendations are tourism-focused and cover infrastructure, accommodation and attractions/experiences.

Though they are separated across all of the 23 TLAs in the South Island, they need to be viewed in their collective ability to help support and growth the South Island as a composite visitor destination for locals,

other domestic visitors, and the international visitor markets. As a necessity, many of the recommendations are aimed at addressing issues constraining the South Island’s tourism growth and/or social licence challenges.

The feasibility of the projects identified will need to be tested through more detailed analysis which was outside of the scope of this DMP.

Figure 4: Project tiers



## Strategic Aim 1

### *Te Taiao - Ensure the environment is protected to continue to underpin the sector's prosperity*

Our environment is our greatest tourism asset. As identified in the New Zealand-Aotearoa Government Tourism Strategy, tourism needs to *protect, restore* and *champion our natural environment*. We need to continue to manage and monitor tourism activity to ensure that our environment will be in great shape for future generations of locals and visitors. This means not only introducing much-needed infrastructure but to also assess the capacity and condition of our most iconic tourism destinations to ensure they are being well cared for.

## Strategic Aim 2

### *Strategic Aim 2: Manaaki Manuhiri - Achieving stronger destination marketing through product differentiation*

While destination marketing and branding is not a panacea, it is a key component of driving tourism growth and encouraging the types of visitors the South Island wishes to receive. Promoting and effectively marketing the South Island – and its various destinations – as a unique and “must visit” destination is essential in a fiercely competitive marketplace, where global travel continues to grow.

New Zealand has had a successful history of promoting the country to potential visitors, particularly through the 100% Pure campaign. However, the task has become more challenging due to the complexity of promotion channels and increasing competition. Although individual RTOs are currently marketing their destinations offshore, the marketing of “Brand New Zealand” to an overseas audience is the task of Tourism New Zealand. Only one entity can be the guardian and custodian of this brand.

The current structure and governance of tourism in the South Island (including the large number of RTOs) has created unproductive competition between destinations rather than leveraging off components of complementarity. There is confusion in the marketplace and duplication of efforts.

Achieving this Strategic Aim requires a change in the structure of tourism (i.e. moving to a more coordinated and collaborative structure, with fewer, sub-regional marketing boundaries).

It is important that we are clear what our unique selling proposition is and that we leverage off this effectively. The strength of the South Island is the **sum of its parts** and the diverse experiences which are on offer. To stand out, we need a tourism brand presence that leverages off the national tourism branding that is authentic and compelling.

## Strategic Aim 3

### *Strategic Aim 3: Rangatiratanga - Encourage business leadership and good governance through stronger collaboration through destination management*

To deliver a sustainable visitor destination going forward requires collaboration across all levels of government, Iwi, community and the tourism and business community. The tourism sector in New Zealand has traditionally been highly fragmented due, in part, to the fact that it is comprised primarily of micro to small enterprises.

To fulfil our growth potential and deliver authentic tourism experiences, we need a far more unified and collaborative industry, empowered by strong leadership. We must continue to build the capability of our businesses and the industry as a whole and have a clear policy direction.

Additionally, it is important that the sector improves its attractiveness to talent and that appropriate education,

skills and training opportunities are offered. A major challenge facing the industry now and into the future is the lack of sufficient skilled labour. It is often the interaction between overseas visitors and those employed in our tourism sector that ensures an outstanding holiday experience which differentiates us from our competitors. Achieving this is a complex process that involves the collaboration of a broad range of stakeholders and focused policy. Stronger collaboration between Government, educational bodies and the South Island's tourism industry is needed to achieve this.

## Strategic Aim 4

### *Strategic Aim 4: Ngā Manuhiri O Te Ao, O Aotearoa Anō Hoki - Grow higher quality and commissionable experiences to support visitor dispersal*

The expectations of visitors today are much higher than they were 10-20 years ago, partly due to more intense competition.

There is recognition amongst most stakeholders consulted that there need to be new things of scale and international appeal for visitors to do, to ensure both a better regional spread of tourism and to take the pressure off existing attractions and areas where environmental and social sensitivities exist.

There also needs to be a far stronger focus on introducing commissionable product to address seasonality which has not improved over the last 10 years. Outside of the major gateway locations, new and refreshed accommodation product is still often missing, making it far harder to actively encourage stronger visitor dispersal around the South Island. Coupled with the lack of commissionable attractions and experiences, many regions will not achieve the economic and social uplift desired from the visitor economy, yet the potential exists to deliver product which better matches market demand and delivers value-for-



money. Making the South Island a better visitor destination also delivers improvements for our residents.

## Strategic Aim 5

### *Strategic Aim 5: Ngā Rohe - Improved infrastructure to support the visitor economy*

Tourism infrastructure is a broad category which includes transport networks, event venues, parks facilities, dining and entertainment precincts, cultural and arts amenities, aviation, maritime facilities and roading infrastructure just to name a few. This infrastructure benefits more than visitors, providing local residents with improved amenity and greater economic and employment opportunities. Investing in tourism infrastructure is crucial for not only driving demand but also to improve the sustainability of destinations. The provision of publicly funded tourism infrastructure often is the catalyst to encourage additional investment by the private sector in complementary products and services.

Government has a critical leadership role to support and funds larger-scale infrastructure projects as well as those which deliver significant benefits to the local community.

Identifying which infrastructure projects should be prioritised is a difficult task which government's face. It is therefore important to:

- prioritise tourism infrastructure development that will maximise return on investment.
- address instances of market failure in the provision of tourism infrastructure.
- and prioritise investment in those destinations which offer the best chance of delivering additional economic uplift and which are catalysts for supporting PPPs and private sector investment.

## Strategic Aim 6

### *Strategic Aim 6: Tātou o Aotearoa me ō tātou hapori - Strengthen the host community's social license for tourism*

To continue to deliver a warm welcome to visitors, we require the support and buy-in of our communities. To achieve this, we need to share messages across our communities about the sustainable growth potential of the sector and what benefits this may deliver to them. Tourism is one of the few industries that can provide employment and economic benefit in nearly every part of the South Island. Although certain parts benefit more than others from tourism, every area is a beneficiary and every area has the potential to grow its share and the benefits delivered from tourism.

While the majority of employment is driven by accommodation, food and beverage outlets, other hospitality providers and visitor attractions, the employment profile of the sector is diverse with transport providers, events, tour operators, galleries and museums, adventure and marine tourism creating and sustaining employment for people with different skills and capabilities. Tourism can also often provide flexible employment opportunities, that have the capacity to facilitate greater labour market participation.

The shared understanding of the importance of the sector will improve decision making around topics such as policy making, public infrastructure, management of destinations and accessibility. Appreciation of the role which the sector plays at the local economy level also helps communities take a more ambassadorial role in delivering manaakitanga and a warm welcome to visitors.



## The indicative investment required

Projects identified have also been categorised as:

- **Private/commercial projects:** commercial tourism projects for the private sector to invest in because the level of ROI is expected to be sufficiently attractive to stimulate private sector interest.
- **Public projects:** projects which will need to be funded by the public sector as a commercial return is not possible but where important public good outcomes can be derived; and
- **Public-private partnership projects (PPP):** projects more likely to be activated through a PPP as public funding is required to encourage and leverage private sector investment and where part of the project may be commercially viable while other elements may offer important public good outcomes.

Table 1 provides a summary of initial and top-line investment estimates. Together, they demonstrate:

- The total CAPEX requirement to implement the projects identified is \$3.65b. Of this, PPP driven initiatives total an estimated \$1.78b, publicly driven projects total \$1.44b and private investment projects total \$429m.
- Although the majority of the 191 projects are public sector driven projects (75%), almost 40% of the investment required is anticipated to come from private sector funding sources (including private only projects and the private sector component of PPP projects).
- Importantly, many projects are there to benefit local communities and other sectors even more than tourism, such as roading infrastructure, airports, events and stadiums, site planning etc.

Table 1: Investment & development projects – indicative CAPEX breakdown

Project Category	Estimated CAPEX Total	Private/ Commercial Only	Public Only	Public-Private Partnerships		
				PPP Total	PPP - Private Component	PPP - Public Component
Airports	<b>\$519m (14%)</b>	-	\$17m (1.2%)	\$502m (28%)	\$350m (37%)	\$152m (18%)
Building Blocks	<b>\$15m (0.4%)</b>	-	\$15m (1%)	-	-	-
Cruise Facilities & Marinas	<b>\$123m (3%)</b>	\$12m (2.7%)	\$72m (5%)	\$39m (2%)	\$9m (0.9%)	\$30m (4%)
Cycling and Walking	<b>\$31m (0.8%)</b>	-	\$30m (2%)	\$1.1m (0.1%)	\$105k (0.01%)	\$945k (0.1%)
Events and Stadium Facilities	<b>\$533m (15%)</b>	-	\$533m (37%)	-	-	-
Freedom Camping	<b>\$15m (0.4%)</b>	-	\$15m (1%)	-	-	-
Parking	<b>\$6m (0.2%)</b>	-	\$6m (0.4%)	-	-	-
Public Transport (Ferry Services)	<b>\$1.4m (0%)</b>	-	\$1.4m (0.1%)	-	-	-
Roads	<b>\$537m (15%)</b>	-	\$537m (37%)	-	-	-
Signage	<b>\$530k (0%)</b>	-	\$530k (0.04%)	-	-	-
Site Planning	<b>\$1.06b (29%)</b>	\$12m (3%)	\$8m (0.6%)	\$1.04b (59%)	\$484m (51%)	\$558m (67%)
Toilets, Sewerage, Waste	<b>\$109m (3%)</b>	-	\$109m (8%)	-	-	-
Tourism Attraction	<b>\$401m (11%)</b>	\$128m (30%)	\$101m (7%)	\$171m (10%)	\$84m (8.8%)	\$87m (11%)
Visitor Accommodation	<b>\$302m (8%)</b>	\$277m (65%)	-	\$25m (1.4%)	\$23m (2.4%)	\$3m (0.3%)
<b>Total</b>	<b>\$3.65b (100%)</b>	<b>\$428.6m (100%)</b>	<b>\$1.44b (100%)</b>	<b>\$1.78b (100%)</b>	<b>\$950.2m (100%)</b>	<b>\$830.4m (100%)</b>
<b>% of total CAPEX</b>		<b>12%</b>	<b>40%</b>	<b>49%</b>	<b>26%</b>	<b>23%</b>

A primary outcome of this DMP was to ensure that the projects and recommendations identified did not rely primarily on public sector funding sources.

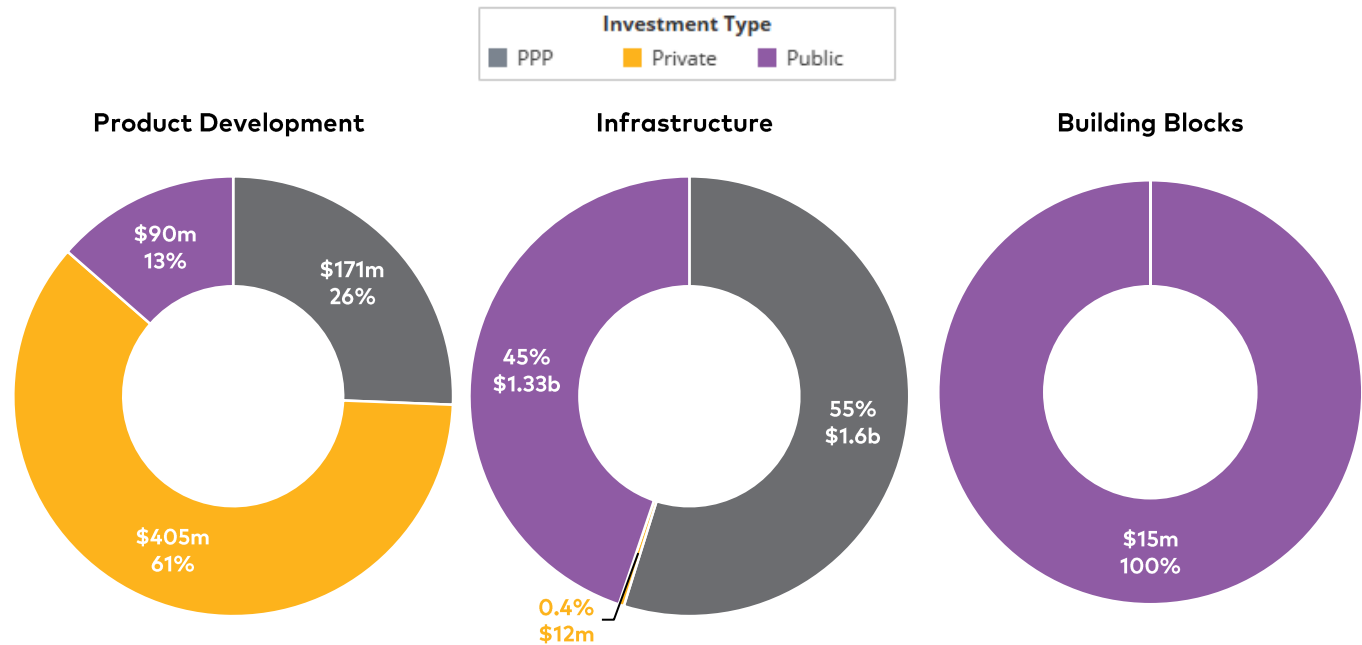
Although Table 1 above demonstrates that 63% of the CAPEX required is from public sources (either through public only or the public component of the PPP investment), \$2.76b (75% of total estimated CAPEX, is for projects which are primarily needed by other sectors of the economy, not just for tourism).

It is, therefore, important that the CAPEX required is broken down based on whether the project is primarily infrastructure-related, or product development-related.

Product development projects primarily comprise tourism attractions, experiences and visitor accommodation. Error! Reference source not found. Figure 5 provides this breakdown and demonstrates the following.

- More than half of the funding required for infrastructure projects is anticipated to be from PPP sources (55% or \$1.6b), followed by public sector sources (45% or \$1.3b) and a small amount from private sector sources (0.4% or \$12m).
- For product development projects, however, more than 60% of funding is solely from private sector sources (equating to \$405m), followed by PPP sources (26% or \$171m) and public funding sources (13% or \$90m).
- Due to the nature of Building Block projects, all funding requires is anticipated to come from public sector sources.

Figure 5: Investment type by project category



## Measuring our success

With all effort and resources dedicated to achieving our ambition of growing the sustainability of the visitor economy, it is important to know that we are on the right track, and where improvements can be made. Although

success within the tourism sector has traditionally been measured in terms of the volume – or number – of visitors, the consultation undertaken for this DMP has revealed that South islanders (both industry and the community)

have a much broader consideration of what success looks like. The measures of success outlined in Table 2 have been carefully selected because they reflect the changes we are trying to introduce for the sector.

**Table 2: Metrics to measure success**

Metric	About	How will we measure this?	Base figure
Community acceptance of tourism	The willingness of the community to continue to provide a social licence for tourism	Annual perceptions survey of a sample of the local community throughout the South Island.	n/a
Overnight visitor numbers	Overnight visitors are higher yielding than day trippers because they tend to spend more on food and beverage, transport and experiences as well as on accommodation.	Updated dataset developed as part of this DMP	7.8 million overnight visitors to the South Island
Average yield per visitor	Average spend per visitor to the South Island from the domestic and international visitor markets.	Updated dataset developed as part of this DMP and MBIE MRTE figures for the South Island.	International spend: \$2,650 per trip and Domestic spend: \$310 per trip
Brand perceptions	The effectiveness of brand development work undertaken in market	Brand perceptions survey of both domestic and international visitors (from selected markets)	n/a
Visitor satisfaction	The quality of the visitor experience through primary research within the destination	Visitor satisfaction survey focused specifically on the South Island of both domestic and international visitors (from selected markets)	n/a
Tourism and hospitality employment growth	Increased employment opportunities offered in the tourism and hospitality sectors – both full-time and part-time.	Apply profiles which leverage off tourism GDP estimates	66,000 positions throughout the South Island
Tourism GDP growth	Reflects output in the sector and contribution to the overall economy	Apply profiles which provide GDP estimates	\$4.39 billion in tourism GDP for the South Island
Digital ready operators	Measures the digital capabilities of tourism operators through comparing those who are listed on the NZ Tourism Industry Operator database and other major tourism sources against those who are listed in traditional sources only (such as brochures and in i-SITE databases).	Audit of digitally listed operators including on the NZ Tourism Industry Operator Database.	n/a
Tourism sector new investment	Assesses the level of new investment in the tourism sector	Statistics on the number of new businesses registered and tourism and hospitality utilising Census data.	n/a
Increased Māori participation in tourism at all levels	The level of interest which local Iwi have in supporting and investing in the tourism sector including development of economic, social, environmental and cultural uplift for their local communities	Updated dataset to illustrate the level of Iwi involvement in the tourism sector directly and indirectly including investment, employment etc.	Iwi owned or managed tourism businesses
Sustainability Index	Measures New Zealand's progress towards sustainable tourism development against other countries. As a long-haul destination from most generating markets, New Zealand rates quite low.	Sustainable Tourism Ranking which measures CO2 per capita	257 <sup>th</sup> out of 291 destinations



## Phase II – Next Steps

This DMP for the entire South Island has taken 18 months to complete. Importantly, the next phase of work is the implementation of the DMP through a collaborative process with each South Island TLA, over the next 12-month period. This is going to require:

- formally seeking funding support from central government to assist with the implementation of the DMP
- ongoing liaison with each TLA to ensure that specific requirements are developed for destination management activations.
- Active engagement with all EDAs and RTOs across the South Island.
- involvement of MBIE, DOC and TNZ to ensure appropriate support is available to each TLA to deliver the DMP.
- ensuring adequate resources are available not only from local councils but also industry and central government to deliver the upgrades and changes recommended on a shared basis.
- Identifying the potential staging of projects where required and appropriate and to assist with feasibility and other studies required for project development and delivery; and
- developing potential governance and structural changes over the next 12 months, which are strongly supported by Central Government, to maximise the destination management approach desired.





