

NZ KING SALMON

POTENTIAL SALMON FARM

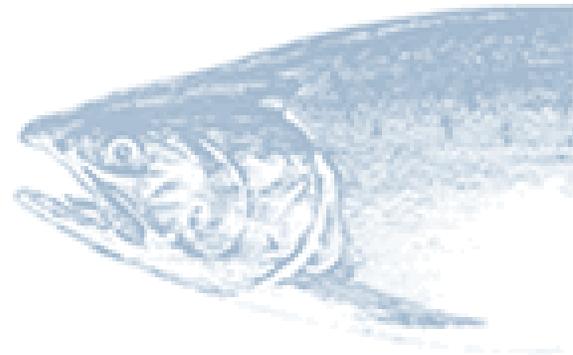
RELOCATION IN MARLBOROUGH

Tourism and Recreation Assessment (TARA)

Final Report
20 September 2016

Ministry for Primary Industries
Manatū Ahu Matua





Acknowledgements

The NZ King Salmon Potential Salmon Farm Relocation in Marlborough – Tourism and Recreation Assessment (TARA) prepared by TRC Tourism Ltd (www.trctourism.com) for Aquaculture unit, Ministry for Primary Industries.

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Ministry for Primary Industries
Manatū Ahu Matua



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Executive Summary

TRC Tourism was requested to prepare an assessment of the tourism and recreation effects of the potential relocation of six current salmon farm sites to six of nine potential new sites in the Marlborough Sounds.

The Marlborough Sounds is an important marine recreation and tourism area within a national context, sitting behind the Hauraki Gulf and Bay of Islands and alongside the Abel Tasman.

The Marlborough Sounds, made up of Queen Charlotte Sound, Tory Channel, Port Gore and Pelorus Sound, are a network of sheltered bays and waterways. They provide both recreational and tourism opportunities that are generally of regional significance. The Queen Charlotte Track, Ship Cove Historic Reserve and Mikhail Lermontov shipwreck are of national recreational importance.

Tourism is an important industry within the Marlborough region. In the year to April 2016 international and domestic visitors spent a total of \$342.3 million in the Marlborough region. In the year to May 2016 there were 361,794 international and 370,056 domestic overnight visitors to Marlborough who stayed in commercial accommodation. Whilst tourism has grown in Marlborough over the last 5 years, the growth has been primarily from the cruise sector. The domestic market, an important component of the Marlborough Sounds tourism industry, has been flat.

Picton received approximately 1.1 million ferry passengers in 2015. The port also received approximately 75,000 cruise passengers in 2016, up from 8,000 in 2009/10. This number is forecast to increase by 20% in 2017 due to larger ship capacity.

The Marlborough Sounds are a recreational playground for residents and are very popular for a range of water and land-based pursuits including cruising, fishing, sailing, swimming, waterskiing, kayaking, walking, tramping, biking and wildlife viewing.

The Department of Conservation (DOC)-managed priority recreation sites in the Marlborough Sounds are widely dispersed through the area. However, the key and highest use sites are generally located in the Queen Charlotte Sound (Queen Charlotte Track, Ship Cove, Karaka Point, and Grove Arm camping and day use areas), with the exception of Cullen Point (near Havelock) and Duncan Bay (Tennyson Inlet).

The Queen Charlotte Sound is the recreational and tourism hub of the Marlborough Sounds, although it also has an industrial edge, with the deepwater port at Shakespeare Bay and the freight and passenger shipping terminals in Picton Harbour. The vast majority of recreational and tourism boat traffic occurs in the Queen Charlotte Sound and into Tory Channel. This stretch is also home to the busiest land-based recreation and tourism sites in the sounds including the Queen Charlotte Track, Ship Cove Historic Reserve, Momorangi Bay Scenic Reserve, Karaka Point walkway and Motuara Island.

RECREATIONAL PLANNING AND THE RECREATION OPPORTUNITY SPECTRUM

The Recreation Opportunity Spectrum (ROS) provides a system for classifying the range of recreational opportunities available in any one place or region, and managing that range. The ROS system has been extensively used for recreation planning internationally, particularly in natural areas in the United States, Australia and New Zealand.

The ROS system has been used by the Nelson/Marlborough Conservancy of DOC within their Conservation Management Strategy (CMS, 1996) to classify terrestrial and marine recreation within the conservancy.



POTENTIAL MARINE FARM EFFECTS ON RECREATION AND TOURISM FROM PROPOSED EXCHANGE OF SALMON FARM SITES

There is a good understanding of the general patterns, products and trends of recreation and tourism in the Marlborough Sounds.

With the installation of additional salmon farms at Waitata (2016), Richmond (Kopāua) (2016) and Ngamahau (2015) there is some anecdotal evidence about possible effects on recreation and tourism. The impact of these new salmon farms on recreation and tourism appears to be less than minor.

Evidence has largely been gathered through interviewing some key stakeholders, previous research in 2011 and 2012 and relevant field experience.

The assessment of the potential effects on recreation and tourism for the nine proposed salmon farm sites is supported by expert evidence provided by social impact and navigation professionals, presented in their respective reports to Ministry for Primary Industries (MPI).

Marine farms have the potential to affect recreational and tourism activity in a number of ways:

- ▶ Marine farms sited on a location used by recreationalists that physically limit or block access. This may be a fishing location, or a kayaking or boating route. The Resource Management Act (RMA s6(d)) refers to the maintenance and enhancement of public access. So does the Marlborough Sounds Resource Management Plan (MSRMP) Policy 9.1.1, while MSRMP Policy 9.1.6 specifically refers to recreational interests retaining dominant status over commercial activities in Queen Charlotte Sound (including Tory Channel). The New Zealand Coastal Policy Statement (NZCPS) Policy 6(2b) specifies the need to maintain and enhance recreation qualities and values. The significance of these effects can depend on the user's ability to easily substitute that specific location or route for one of similar quality/type nearby.
- ▶ The location of marine farms has the potential to affect the amenity value of the recreation and tourism experience. Amenity values and natural character are addressed in the RMA s6(a) and in NZCPS Policy 13. Section 7(c) of the RMA refers to "the maintenance and enhancement of amenity values", which is defined in s2 as "those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes". In addition, section 7(f) refers to the quality of the environment being maintained and enhanced.
- ▶ The effects of marine farms also need to be assessed on a cumulative basis. While one marine farm may have no effect on recreation in a specific area, several marine farms in the vicinity would increase the footprint and operational activity and may begin to affect an area's natural character and the amenity values of users.

Marine farms also have the potential to play a role in the development of tourism products and experiences. Products that focus on cuisine, general sightseeing, and ecotourism (wildlife viewing) are currently using mussel farms in the Pelorus Sound and Ruakaka salmon farm in the Queen Charlotte Sound as a key component of their experience.

Marine farms can also play a positive role in supporting recreation. The mussel farms in the Pelorus and Kenepuru Sounds are widely acknowledged to play a key role in supporting a healthy snapper population for sport and charter fishing.



EFFECTS OF RELOCATING UP TO SIX EXISTING FARMS TO NINE PROPOSED SITES AND REMOVING SIX EXISTING SITES

This section provides a recreation and tourism assessment of the effects of the NZKS farm proposal within the context of the Marlborough Sounds as a whole.

The new NZKS salmon farms will swap up to six farm sites (but retain the same 'footprint' in size) to the aquaculture industry in the Marlborough Sounds which currently has over 560 marine farms, most of them in the Pelorus Sound.

The vast majority of the Marlborough Sounds is classified by DOC under the ROS system as 'accessible' recreation area, with the exception of Port Gore and some outer islands (eg D'Urville, Stephens and the Chetwodes). The accessible nature of the waterways and land is linked to recreational and tourism users' perceptions of the area and its amenity values. Users expect to see a natural environment with a degree of modification, whether it be the prevalence of jetties, wharves and moorings in the Queen Charlotte Sound, or marine farms in the Pelorus Sound.

There are no salmon farm sites proposed by NZKS for the remote DOC water areas.

Given the wide range of recreation and tourism opportunities available throughout the Marlborough Sounds, recreationalists and tourists have an extensive choice of activities and locations. In my opinion, none of the proposed sites have activities that are not substitutable nearby, and as a result the impact from the relocation of six farms to nine proposed sites on tourism and recreation is negligible for all sites except one.

The exception is the proposed site 125 at Waitata Reach Mid-Channel. This new site has the potential to cause perceived impacts for the land-based eco-tourism operators in the vicinity. The Tui Nature Lodge is situated on a hill above Waitata Bay and Waitata Reach and as such will have clear views of the farm and its operations. The lodge is in excess of 5 kms from the Waitata Reach Mid-Channel.

Removing the Ruakaka site in the Queen Charlotte Sound has some minor positive benefits for recreation and tourism. A downside of the removal of Ruakaka is the potential need to use an alternative salmon farm site for visitors. This site (or sites) would need to be identified by NZKS.



1. Introduction

TRC Tourism was requested by the Ministry for Primary Industries (MPI) to prepare an assessment of the tourism and recreation effects of the potential relocation of six current salmon farm sites to nine new NZKS sites in the Marlborough Sounds.

BACKGROUND

The Aquaculture Unit of MPI has been working with the Marlborough District Council (MDC) and New Zealand King Salmon (NZKS) on the steps required to implement the Best Management Practice Guidelines for Salmon Farms in the Marlborough Sounds. This includes the potential relocation of some farms to more suitable locations to ensure the agreed standards can be met (map 1).

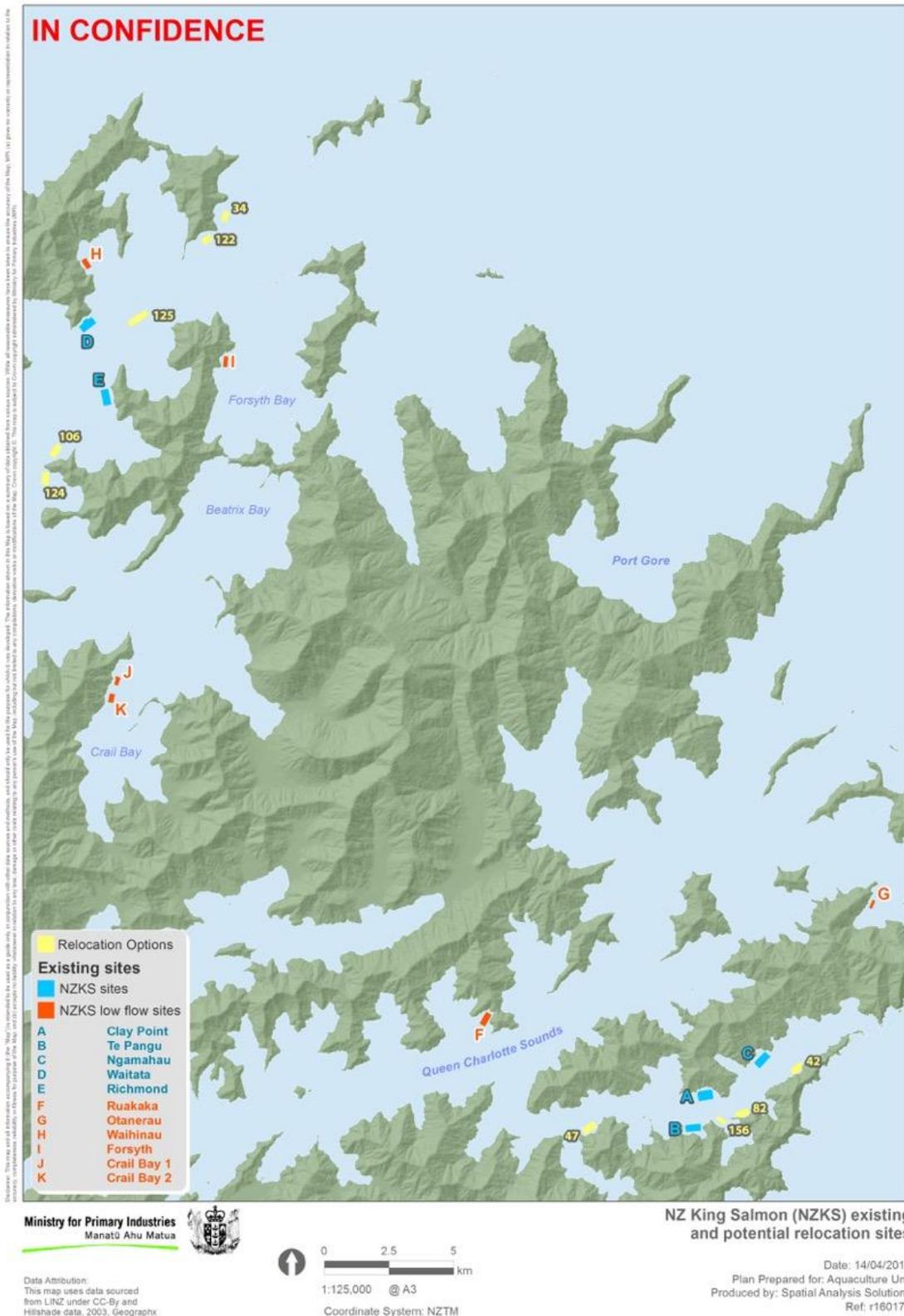
The proposed new sites are:

Figure 1: NZKS proposed new sites

| Pelorus Sound | Site |
|---------------------------|------|
| Blowhole Point North | 34 |
| Blowhole Point South | 122 |
| Waitata Reach Mid-Channel | 125 |
| Richmond Bay South | 106 |
| Horseshoe Bay | 124 |
| Tory Channel | |
| Tipi Bay | 42 |
| Motukina | 82 |
| Te Weka Bay | 47 |
| Tio Point | 156 |



Map 1: NZ King Salmon existing and potential relocation sites





THE 2012 PRIVATE PLAN CHANGE AND RESOURCE CONSENT APPLICATIONS BY NZ KING SALMON

In addition to 8 salmon farms established over the previous 27 years, NZKS applied in 2012 (via an EPA Board of Inquiry process) for 9 new sites and was ultimately granted resource consents for three new sites. As a result, NZKS has consents for salmon farming operations on 11 sites throughout the Marlborough Sounds.

One consequence of having various salmon farm consents granted over such an extended period of time is a considerable variation in the detail of the consent conditions applying to each salmon farm operation.

Another consequence of NZKS's application for new sites in 2012, and the associated Board of Inquiry process, was the creation of significant tensions, antagonisms and distrust between NZKS and significant elements within the regional community¹. This situation resulted in several subsequent initiatives aimed at restoring trust and improving relationships, notably:

- › the Best Management Practice (BMP) Guidelines
- › Marlborough Smart and Connected Aquaculture.

THE BEST MANAGEMENT PRACTICE (BMP) GUIDELINES

"In November 2013 the Marlborough District Council (MDC) and the New Zealand King Salmon Co. Ltd (NZKS) committed to a process to ensure Marlborough develops world-leading salmon farming practices which are environmentally and economically sustainable while making an important social and cultural contribution.

This process commenced with a week of intensive meetings and workshops bringing together key figures from industry, regulatory, science providers and Sounds communities to discuss how stakeholders might improve management and understanding of salmon farming in the Marlborough Sounds²"

- › Two guidance documents resulted from this collaboration: Best Management Practice guidelines for salmon farms in the Marlborough Sounds: Benthic environmental quality standards and monitoring protocol (November 2014)
- › Best Management Practice guidelines for salmon farms in the Marlborough Sounds: Operations (November 2015).

The latter document explained transitional expectations in the following way:

"Currently there are a range of consent conditions for sites being operated in the Marlborough Sounds. This document represents a significant step towards making these consistent. However, the current operational and legislative environments do not yet allow for a "one size fits all" approach to farm management and it is important that the older sites in transition remain viable in the meantime.

It is acknowledged that some of the existing farms have legacy issues, in that they are not an ideal size or in optimal locations for best practice under current and improved farming practices. The sites granted by the Board of Inquiry will help to resolve this issue, and NZKS will need some time and consideration whilst they align existing and new farms to the BMP guidelines. Consequently, a staged implementation time line for adoption of these BMP guidelines is proposed such that all farms would be compliant by 2024."

¹ Baines and Quigley, 2016 (in Press)

² NZ King Salmon, Sounds Advisory Group and Marlborough District Council, 2015. p.5



The proposal for potential relocation of certain salmon farms is thus a direct consequence of the BMP guidelines process. Notwithstanding that their existing consents permit their ongoing operation for a number of years³, six existing salmon farms are currently positioned in sites where they would be unlikely to comply with the recently agreed Benthic Guidelines. [All these were originally mussel farm sites which were converted to salmon farming].

This tourism and recreation assessment is part of a suite of assessments aimed at identifying whether or not the relocation of these six salmon farms from relatively low-flow locations to relatively high-flow locations would be likely to result in better environmental, social and economic outcomes. Nine potential relocation sites have been identified by MPI to be assessed for their suitability (map 1 and figure 1 above).

³ For Waihinau, Forsyth Bay, Crail Bay (x2) and Otanerau - until December 2024; for Ruakaka - until May 2021.

Source MDC Smart Maps, accessed 18 April 2016.



2. Statutory Framework

RESOURCE MANAGEMENT ACT 1991

The Resource Management Act 1991 (RMA) provisions to be addressed in regard to recreation and tourism include plan provisions under Section 6 (a) and (d) Matters of National Importance. Also Section 7 (c) and (f).

NEW ZEALAND COASTAL POLICY STATEMENT 2010

The New Zealand Coastal Policy Statement 2010 (NZCPS) sets out objectives and policies for managing the coastal environment around New Zealand. In relation to recreation and tourism, Objective 2 refers to preserving natural character, protecting features and landscapes, Objective 4 references maintaining and enhancing public open space and recreational opportunities, and Objective 6 refers to enabling people and communities to provide for their social, economic and cultural wellbeing and their health and safety.

Policies of relevance include:

- › Policy 1: Extent and characteristics of the coastal environment
- › Policy 3: Precautionary approach
- › Policy 4: Integration
- › Policy 5: Land or waters managed or held under other Acts
- › Policy 6: Activities in the coastal environment
- › Policy 8: Aquaculture
- › Policy 11: Indigenous biological diversity
- › Policy 13: Preservation of natural character
- › Policy 15: Natural features and natural landscapes
- › Policy 18: Public Open Space.

MARLBOROUGH SOUNDS RESOURCE MANAGEMENT PLAN 2003

The Marlborough Sounds Resource Management Plan 2003 (MSRMP) sets out objectives and policies for the preservation of natural character (Chapter 2), managing public access to the coastal marine area (Chapter 8), managing coastal marine area activities (Chapter 9), and managing noise (Chapter 22).

The MSRMP is currently under review. The MDC is rationalising the current resource management framework by combining the Marlborough Regional Policy Statement (RPS), the MSRMP and the Wairau/Awatere Resource Management Plan.

FRAMEWORK FOR ASSESSMENT

This tourism and recreation assessment for the proposed reallocation application of salmon sites takes into account:

- › public and commercial access to the coastal areas
- › public and commercial use and enjoyment.



The cumulative effects of the proposed reallocation of salmon farm sites on tourism and recreation use and experiences are assessed at the destination level (Marlborough Sounds) and in the vicinity of each of the proposed reallocation areas (Waitata Reach, Tory Channel).



3. Approach

The following is TRC Tourism's approach to the assessment of potential tourism and recreation effects arising from the proposal by NZKS to relocate six salmon farms from relatively low-flow locations to relatively high-flow locations. Nine potential relocation sites have been identified by MPI to be assessed for their suitability.

An assessment of various elements of residential amenity effects by Taylor Baines and Associates⁴ and a Navigation Risk Assessment by Navigatus⁵ were considered for this Tourism and Recreation Assessment report.

The process followed to carry out for this tourism and recreation assessment included:

- ▶ background research into relevant tourism and recreation strategies and plans for New Zealand and the Marlborough Sounds region
- ▶ a review of national, regional and local tourism and recreational data
- ▶ reviewing the Tourism Resource Consultants' 2011 Tourism and Recreation Assessment Report for NZKS's new water space project
- ▶ field work (7 June 2016) conducted by boat in the Pelorus Sound, Queen Charlotte Sound and Tory Channel to visit all existing NZKS farms and the alternative sites
- ▶ a review of the proposed alternative salmon farms in relation to DOC's priority recreation sites⁶ in the Marlborough Sounds – these sites also tend to be the areas of greatest use as identified through the Department's asset management system
- ▶ collation of a Tourism and Recreation use data base (Appendix 2)
- ▶ interviews and consultation with tourism and recreational users in the vicinity of the proposed sites and in the Marlborough Sounds (see Appendix 1)
- ▶ analysis of amenity values of the proposed sites, with reference to the Recreation Opportunity Spectrum (ROS) used by DOC to classify recreational use in the Marlborough Sounds.

⁴ Potential Salmon Farm Relocation in Marlborough, Social Impact Assessment, Taylor Baines & Associates, May 2016

⁵ Navigation Risk Assessment draft report, Navigatus Consulting, June 2016

⁶ Department of Conservation – Nelson/Marlborough Conservancy recreation opportunities review. Submissions analysis and decisions, October 2004

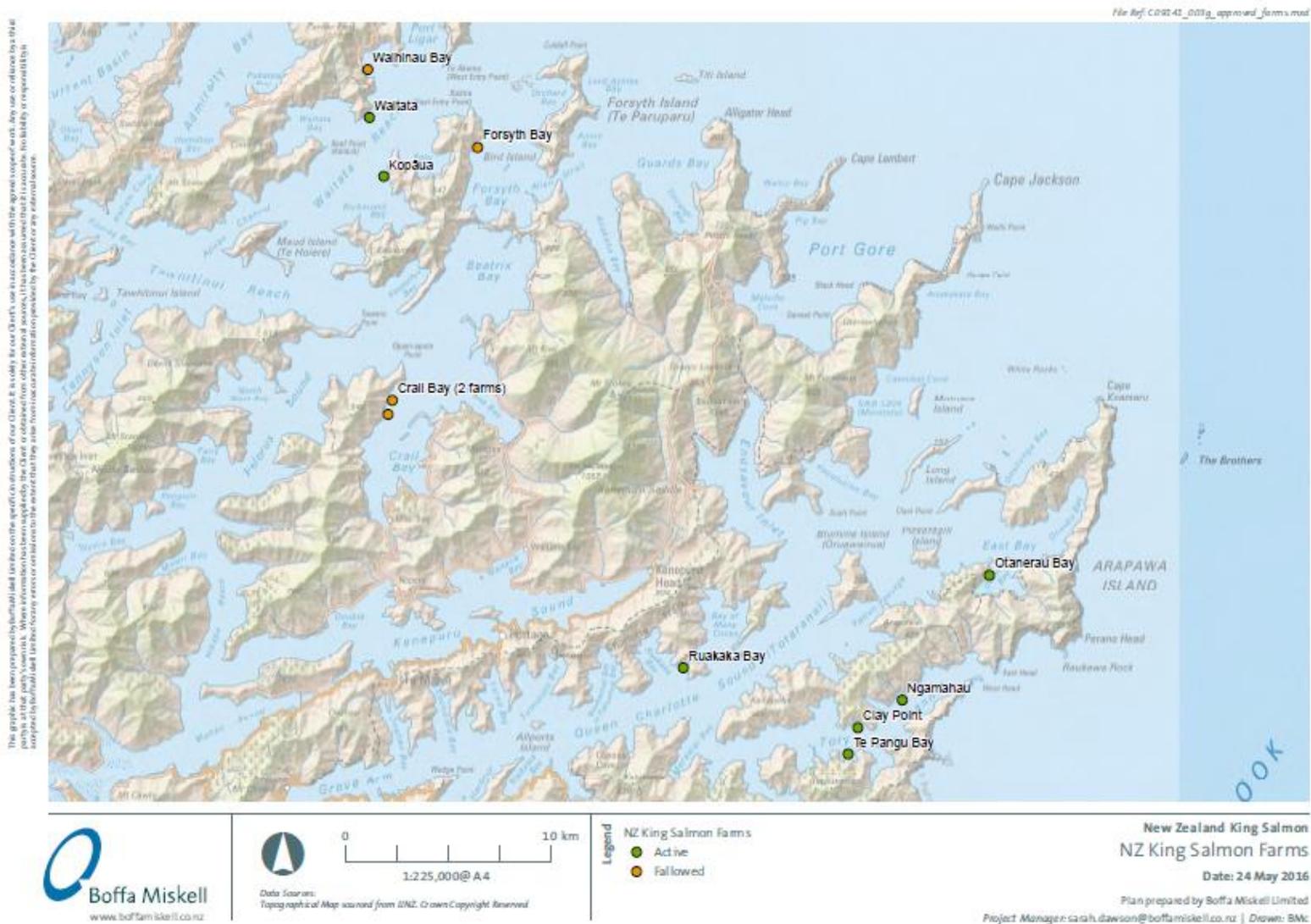


4. Assumptions

1. The re-location of salmon farms will not result in an increase in the number of consented salmon farming sites, nor in the total water surface area available to NZKS for salmon farming.
2. NZKS will surrender the consents for any salmon farm site that is vacated.
3. Any re-located salmon farm will be operated in compliance with the BMP Guidelines and Benthic Standards agreed by the Guidelines Working Group, thus providing assurance of the containment of benthic effects within well-defined site-specific zones.
4. Relocating an existing salmon farm from a low-flow site to a high-flow site could enable increased production levels at the relocated salmon farming operation so long as the operation remains compliant with the agreed Benthic Standards (map 2).
5. Relocating existing salmon farms will have no effect on the total number of staff required to operate the farms.
6. Changes in salmon farm design will be adopted in new generation farms. Some will utilise circular cages with no barges attached permanently i.e. no accommodation at the site, while others will utilise the more familiar rectangular cages, although with fewer/larger steel cages.



Map 2: Current New Zealand King Salmon Farms, Boffa Miskell





5. Industrial tourism

Industrial tourism involves visits by tourists to operational industrial sites where the core activity of the site is non-tourism oriented⁷.

Interest in industrial tourism is growing. It is a form of tourism that provides visitors to a particular site with an informative experience based primarily around the industry and the actual operations of the site. The opportunity to talk with and interact with workers as part of this greatly enhances the experience.

Some good examples of this type of industrial tourism experience in New Zealand include⁸:

- ▶ Macraes Gold Mine Tours, East Otago: up to 3,000 visitors annually participate in guided tours run by OceanaGold staff
- ▶ Martha Gold Mine, Waihi receives 44,000 visitors a year to the visitor centre and around 2,800 take tours operated by Visions Waihi Trust
- ▶ Manapouri Underground Power Station, Doubtful Sound, where visitors can only enter the station as part of a guided tour: the station receives approximately 40,000 visitors annually between October and April
- ▶ Cadbury World, Dunedin: visitor numbers range between 115,000 to 120,000 annually (numbers about the same as of 2014)
- ▶ Huka Prawn Park, Taupo. Founded in 1987 by Aquatech Farms Ltd, this is New Zealand's only prawn park, producing 26 tonnes of prawns per year. The park receives around 75,000 visitors and is a key all-weather attraction for Taupo
- ▶ Wine tourism, where visitors can observe the harvesting and manufacture of wine. Marlborough examples include tours at Allan Scott Wines, Nautilus, Peter Yealands, Cloudy Bay and Wither Hills⁹.

In the Marlborough Sounds examples of industrial tourism exist: Greenshell Mussel Cruise operated by Marlborough Tour Company in the Pelorus Sound showcases the mussel farms in Kenepuru Sound. The cruise stops at an active mussel farm where visitors can see the mussels growing on longlines and learn how the farm works. While at the farm visitors also get to try freshly steamed mussels with wine.

⁷ An empirical study of industrial tourism attractions, Ms Elspeth A Frew, and Professor Robin N Shaw, La Trobe University, Australia

⁸ Visitor estimates obtained from OceanaGold, Real Journeys, Cadbury New Zealand, Newmont Gold Waihi and Huka Prawn Farm, 2011-2016

⁹ Personal communications – Tracey Johnson, General Manager, Destination Marlborough, 8 July 2016



In the Queen Charlotte Sound many of the charter and boat operators servicing the Queen Charlotte Track and providing sightseeing tours pass the Ruakaka salmon farm to see seals and talk about the farm operation. The Ruakaka farm is considered by some tour operators as an important attraction for visitors. These tour operators include:

- ▶ Marlborough Express, Beachcomber Fun Cruises and Cougar Line who operate cruises in the Queen Charlotte Sound and include the Ruakaka Bay salmon farm in their itineraries
- ▶ Marlborough Tour Company which offers a “Sounds, Salmon & Songbirds” tour, including a visit to Ruakaka salmon farm (sponsored by NZKS), a “Greenshell Mussel Cruise”, and a ‘Seafood Odyssey’ cruise (touring aquaculture and sampling seafood from the sounds). Additionally, they have cruise charters featuring visits to salmon farms available - the Odyssey Cruise and the Seafood Cruise. These run during the summer months and have seen steady growth in the three and a half seasons they’ve been running¹⁰
- ▶ Marlborough Jade Tours, who offer tours to either Mussel or Salmon farms on a 3-hour cruise from Havelock
- ▶ Other Picton based operators such as E-Ko Tours who specialise in ecotourism (viewing and interacting with wildlife in the natural environment) and also visit the Ruakaka Bay salmon farm to view fur seals as part of their tours.

¹⁰ Email correspondence with Sales Manager, Marlborough Tour Company, 2016



6. Tourism and Recreation

NATIONAL CONTEXT

Tourism

The tourism industry plays a very important role in the New Zealand economy. It is one of New Zealand's top export industries. It directly and indirectly contributes 8.5% to total gross domestic product and 6.9% of total people employed in New Zealand (168,012)¹¹.

There was a record 3.27 million international visitor arrivals to New Zealand in the year ended April 2016, with the largest increases in numbers from China, Australia and the United States¹². Tourism expenditure in New Zealand is currently growing at over 10% a year. Tourism arrivals are growing at more than 7% a year¹³.

Domestic tourism expenditure grew to \$18.1 billion in the year ended March 2015¹⁴.

The New Zealand Tourism Strategy 2025 recognises New Zealand's natural environment as a valuable asset and a compelling reason why international visitors choose New Zealand over other countries. Twenty-nine percent of international visitors said New Zealand's spectacular landscapes and natural environment was the most important factor in their decision to visit New Zealand¹⁵.

The New Zealand cruise industry has been recognised as a rapidly growing segment within New Zealand's holiday market in the New Zealand Tourism Strategy 2025. The cruise sector currently contributes an estimated \$436.1 million in added value to the economy, from 201,370 passengers, 75,400 crew, and 716 port days¹⁶.

Recreation

The most popular recreational activities for adult New Zealanders include walking (60%), swimming (30.2%), cycling (24.8%) and fishing (19.5%). Tramping (9.7%) is the 9th most popular activity and canoeing/kayaking (8.1%) is the 12th most popular¹⁷.

¹¹ Ministry of Business, Innovation and Employment (MBIE), Tourism Satellite Account 2015

¹² MBIE International Visitor Arrivals, April 2016

¹³ <http://www.tourismnewzealand.com/about/about-the-industry/>

¹⁴ MBIE Tourism Satellite Account 2015

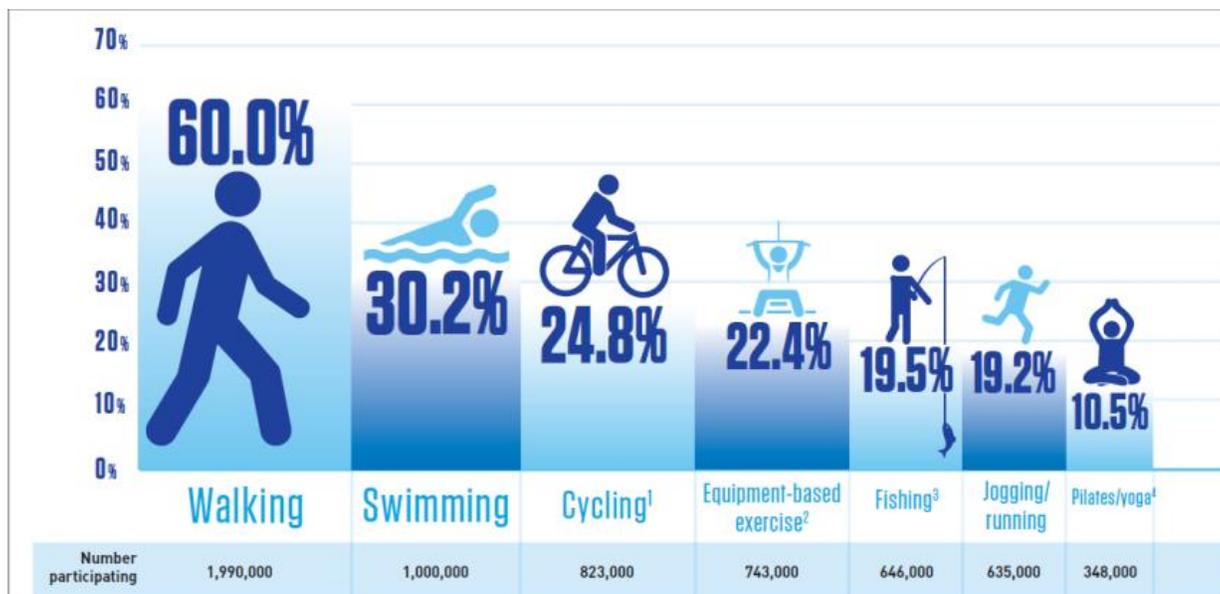
¹⁵ New Zealand Tourism Strategy 2025, 2014/15

¹⁶ Cruise New Zealand, 2014/2015

¹⁷ Sport New Zealand, Key results of the 2013/2014 Sport and Active Recreation NZ Survey



Figure 2: Top ten recreation and sport activities for participation by New Zealand adults



Source: Sport New Zealand, Key results of the 2013/2014 Sport and Active Recreation NZ Survey

Boating in New Zealand is a popular recreational activity, with an estimated 350,000 pleasure boats in New Zealand. The proportion of people who go boating has remained constant, with 1.5 million people, or one in three, stating that they go out in a boat at least once a year¹⁸.

Recreational fishing and shellfish gathering are highly significant activities in New Zealand, with a large proportion of the population able to access fishing and gathering sites¹⁹.

The majority of New Zealand dive sites are clustered on the east coast north of Tauranga; however, other 'hotspots' occur about Taranaki, Cook Strait, Fiordland and Stewart Island²⁰.

THE MARLBOROUGH SOUNDS

The Marlborough Sounds, made up of the Queen Charlotte Sound, Tory Channel, Port Gore and Pelorus Sound, are a network of sheltered bays and waterways. They provide both recreational and tourism opportunities that are generally of regional significance. The Queen Charlotte Track, Ship Cove Historic Reserve and Mikhail Lermontov shipwreck are of national recreational importance.

¹⁸ Maritime New Zealand, Boating Safety Strategy 2007

¹⁹ Biosecurity New Zealand, Mapping the Values of New Zealand's Coastal Waters. 3. Social Values, July 2009

²⁰ Biosecurity New Zealand, Mapping the Values of New Zealand's Coastal Waters. 3. Social Values, July 2009



A visit to the Marlborough Sounds (Queen Charlotte Sound) is considered one of AA Travel's 101 'Must Do's' for Kiwis²¹.

"A maze of deep coves and secluded bays fringed by native forest, the Marlborough Sounds provide an unspoilt wilderness to enjoy an array of maritime pursuits such as sailing, fishing, diving, sea kayaking and viewing marine life. To see rare birds, dolphins, penguins and seals, join an eco-tour and sail to the outer Sounds for close encounters with sea birds, seals, orcas and endangered species."

"Mussel and salmon farming are common in the Sounds, and you can take cruises to see how the mussels are grown and harvested, taste fresh mussels straight from the sea."

"Aside from the obvious water activities that the Marlborough Sounds have to offer, there are also many on-land activities to take advantage of. Tramping and mountain biking the famous Queen Charlotte Track....the islands to visit are D'Urville, Motuara, Long, Blumine and Allports home to native wildlife."²²

While there are no formal DOC-classified wilderness areas in the Marlborough Sounds, some tourism marketers do promote the concept of wilderness values in parts of the outer sounds. The intrinsic values of wilderness are personal and vary from individual to individual. There is an acceptance that some Marlborough Sounds areas such as the Queen Charlotte Wilderness Park, Port Gore and some islands in the outer sounds are remote and have wild values.

Tourism

Tourism is an important industry within the Marlborough region²³. In the year ending April 2016 visitors spent a total of \$342.3 million in the Marlborough region, \$220.54 million by domestic visitors and \$121.76 million by international visitors²⁴.

There were 361,794 international and 370,056 domestic overnight visitors to Marlborough in the year to May 2016 who stayed in commercial accommodation.²⁵ Whilst tourism has grown in Marlborough over the last 5 years, the growth has been primarily from the cruise sector. The cruise arrival numbers are not included in the figures above. The domestic market, an important component of the Marlborough Sounds tourism industry, has been flat. The main international visitor markets ranked in order of spend in the region are Australia, the UK, Europe, and the United States²⁶.

The main domestic visitor markets for the region ranked by spend are Canterbury, Wellington and Auckland²⁷.

Picton received approximately 1,098,344 passengers through its port in 2015. There were 36 cruise ship visits totalling 52,100 passengers (60% higher than previous high). The number of cruise ship visits to the port is scheduled to remain the same however passenger numbers are scheduled to increase by 35% in 2016 due to larger ship capacity²⁸.

²¹ AA Travel, www.aatravel.co.nz

²² AA Travel, *go see discover stay, free guide*, Marlborough, Nelson, Tasman and Golden Bay, 2011

²³ The Marlborough region includes the Marlborough Sounds as well as Blenheim, Renwick and Wairau Valley

²⁴ MBIE, Monthly Regional Tourism Estimates, June 2016

²⁵ Statistics New Zealand Commercial Accommodation Monitor, year ending May 2016

²⁶ MBIE, Monthly Regional Tourism Estimates, June 2016

²⁷ MBIE, Tourism Dashboard Marlborough region, June 2016

²⁸ Port of Marlborough Annual Report 2015



The Marlborough region is marketed by Destination Marlborough around three core attributes: wine, water and wildlife. The water-based activities, native bush, and marine and terrestrial wildlife are all a key part of the attraction for visitors to the sounds.

Sightseeing cruises, mailboat runs and boat trips around the Queen Charlotte Sound and to a lesser extent the Pelorus Sound are a key activity, along with walking/hiking, kayaking, fishing and sailing.

The Marlborough Sounds contains some excellent diving opportunities used both recreationally and commercially by dive operators out of Picton, Blenheim, Nelson and Wellington. The three sites in the Marlborough Sounds that are listed nationally as either spectacular or popular are D'Urville Island, Pelorus Sound (at the entrance of the sound and around the Chetwode and Forsyth islands) and Port Gore²⁹. Dive boat charters from Marlborough and Wellington take a small number of divers (fewer than 500 per annum) to key sites in the sounds, while many key sites are also used by recreational divers.

There are several scenic flight operators out of Blenheim and Picton airports whose scenic flights cover most of the sounds. The long flights venture as far as D'Urville Island and French Pass. The use of floatplanes by one Picton-based company allows access to most locations within the sounds.

Recreation

The Marlborough Sounds are a recreational playground for residents and are very popular for a range of water and land-based pursuits including cruising, fishing, sailing, swimming, water-skiing, windsurfing, walking, tramping, biking and wildlife viewing.

Fishing is ubiquitous in the Marlborough Sounds, an important recreational activity and also a driver for tourism in the region. The closure of the blue cod fishery from 2009–2011 had an impact on the recreational fishery and visitor numbers to the sounds. The cod fishery reopened seasonally in late 2011, and regulations were further liberalised in late 2015. Since 2011, cod fishing activity has increased. Yellowtail kingfish have also been identified as a strong attraction for visiting recreational fishers³⁰.

Older information from a Marlborough Sounds recreational fishing survey in 1998 (J.D. Bell) suggests widespread use of the area for recreational fishing (eg. rod/line fishing from private boat, charter boat, diving, shore based fishing, dredging and set netting). The main fishing method was rod/line fishing from private boats and the areas with the highest level of fishing effort were: eastern side of D'Urville Island, Croisilles Harbour and between Arapawa Island and Endeavour inlet. Additionally, Kenepuru Sound was popular for private boat line fishing, while Kenepuru Sound, Beatrix and Crail Bays had the high levels of fishing from shore³¹. While this information is dated it provides a useful indicator of historical use and activity. Information from a 2011-12 National Panel Survey of Marine Recreational Fishers, released in 2014, supports this – over 95% of recreational fishers fishing for blue cod used rods from private boats³².

²⁹ Mapping the Values of New Zealand's Coastal Waters. 3. Social Values, Biosecurity New Zealand Technical Paper, Allen *et al.* 2010

³⁰ Recreational Fishing in NZ – A Billion Dollar Industry. NZ Marine Research Foundation, March 2016. <<http://www.nzmrnf.org.nz/files/New-Zealand-Fishing-Economic-Report.pdf>>

³¹ Marlborough Sounds Recreational Fishing Survey 1998. J. D. Bell and Associates, final research report for the Ministry of Fisheries Project REC9807

³² National Panel Survey of Marine Recreational Fishers 2011-12: Harvest estimates. New Zealand Fisheries Assessment Report 2014/67. MPI. November 2014. <<https://www.mpi.govt.nz/document-vault/4719>>



Anecdotal evidence indicates that there is an increasing use of the waters outside of Pelorus Sound, around the Chetwode, D’Urville and Stephens Islands. Larger, faster, recreational and sport fishing boats has helped facilitate this.

Boating and being out on the water is a big part of the recreation activity in the Marlborough Sounds. The area has three marinas providing more than 1,049 berths with an average occupancy of 85%, plus there are more than 500 additional vessels in boat sheds and storage compounds³³.

Yachting occurs throughout the sounds and can be challenging due to the inconsistent winds. According to the Navigation Report, Pelorus Sound is a much less popular area for sailing due to the gusty nature of the winds and the shallow upper reaches. In general, Pelorus Sound has less recreational traffic than the Queen Charlotte Sound. The draft Navigational Risk Assessment for MPI has a detailed description of the analysis of boating in the Marlborough Sounds³⁴.

The DOC-managed sites that are recognised as priority recreation sites in the Marlborough Sounds are widely dispersed through the area. However, the key and highest use sites are generally located in the Queen Charlotte Sound (Queen Charlotte Track, Ship Cove, Karaka Point, and Grove Arm camping and day use areas), with the exception of Cullen Point (near Havelock) and Duncan Bay (Tennyson Inlet)³⁵.

QUEEN CHARLOTTE SOUND AND TORY CHANNEL

The Queen Charlotte Sound is the recreational and tourism hub of the Marlborough Sounds, although it also has an industrial edge, with the deep-water port at Shakespeare Bay and the freight and passenger shipping terminals in Picton Harbour. The vast majority of recreational and tourism boat traffic occurs in the Queen Charlotte Sound and into Tory Channel. This stretch is also home to the busiest land-based recreation and tourism sites in the sounds including Queen Charlotte Track, Ship Cove Historic Reserve, Momorangi Bay Scenic Reserve, Karaka Point walkway and Motuara Island. Tory Channel is the passageway for the Picton-Wellington ferries.

The 71-km Queen Charlotte Track is a nationally significant multi-day walk and mountain bike ride (closed December to April) that receives 20,000 users annually³⁶. It is a major tourism attraction and supports a range of accommodation from campsites to hotels, as well as guiding companies and transportation businesses. There is a range of on-track accommodation options, most of it in bays on the Queen Charlotte Sound side, with the exception of the Portage Resort and Te Mahia.

Motuara Island Scenic and Historic Reserve is a pest-free island that contains an abundance of native New Zealand wildlife, including blue penguins, South Island saddleback, kereru, bellbirds, yellow-crowned parakeets (kakariki), bellbirds and South Island robins. The island receives approximately 9,100³⁷ visitors who walk the track to the summit.

Within the Marlborough Sounds Port Gore is a popular dive location because of the Mikhail Lermontov³⁸ and Lastingham shipwrecks located in the bay. In my opinion the Lermontov is of national significance. There are also kelp forests, and abundant marine life including in the Long Island Marine Reserve. Water clarity is generally excellent in many sites and temperatures vary from about 10 degrees Celsius in winter to about 18 degrees in summer.

³³ Port of Marlborough, Annual Report 2015

³⁴ Navigation Risk Assessment draft report, Navigatus Consulting, June 2016

³⁵ Department of Conservation, June 2016

³⁶ Department of Conservation, June 2016

³⁷ Department of Conservation, June 2016

³⁸ The Heritage Report prepared by History Works, May 2011,



Scuba-diving highlights in the Marlborough Sounds include³⁹:

- ▶ Koi shipwreck and Long Island – Queen Charlotte Sound
- ▶ Mikhail Lermontov, Lastingham and Rangitoto shipwrecks – Port Gore.

Outward Bound operates from Anakiwa in the Queen Charlotte Sound. The school, established in 1962, seeks to inspire personal and social development through value-based experiential learning in an outdoor environment. The school operates programmes throughout the Queen Charlotte Sound, and over 52,000 participants have completed Outward Bound courses since the school was established⁴⁰.

Although cruise tourism to the Marlborough region via Picton has more than trebled the number of visitors to the Queen Charlotte Sound over the past five years (now more than 75,000 cruise visitors), visitor numbers in the outer sounds have not seen significant growth to the land-based sites such as Ships Cove and the Queen Charlotte Track, where usage, 20,000 visitors in 2016, was about the same as 2011.

Nearer Picton visitor numbers to Momorangi Bay have jumped from 5,000 to 8,700 a year. This increase in activity to scenic sites and for boat cruises around the inner Queen Charlotte Sound has been noted by commercial cruise operators. This trend of increased numbers to the inner sounds looking for short walks or excursions, and cruise visitors taking wine tours out of Picton is likely to continue.

PELORUS SOUND

The Pelorus Sound has a more industrial feel to it, largely as a result of mussel farming and forestry. In terms of aquaculture, over 85%⁴¹ of the more than 560 Marlborough Sounds farms are in the Pelorus Sound; they are widely dispersed through most bays, with the exception of Tennyson Inlet.

In the last few years sea kayaking has become popular, with a pattern of trips using DOC campgrounds for overnight stays. The trip usually leaves Havelock and goes to Pipipipi Beach, Jacobs Bay, then Kauauroa Bay and to Brightlands at Tennyson Inlet. About 500 paddlers did the journey last year⁴².

World's End, Tennyson Inlet is considered by many people to be the most picturesque part of Pelorus Sound. It is surrounded by native bush with safe anchorages⁴³. The campsite at Elaine Bay receives 3,500 visitors annually⁴⁴.

Fishing, especially for snapper in Kenepuru Sound, is a popular activity in the inner and outer Pelorus Sound. The Waitata Reach also experiences a moderate level of fishing activity, and Ketu Bay in particular is a popular scallop-dredging site for recreational fishermen.

Waitata Reach provides the only access into the Pelorus Sound. Cruising and/or boating are popular throughout the inner Pelorus Sound and at key sites like Tennyson Inlet and Waitata Reach. Kayaking is largely focused in Kenepuru Sound and Tennyson Inlet areas.

³⁹ www.divemaster.co.nz

⁴⁰ www.outwardbound.co.nz

⁴¹ Marine Farming Association Inc (MFA) and correspondence with Bruce Cardwell at Aquaculture Direct: this includes farms in Tory Channel, Queen Charlotte Sound, Port Underwood and Pelorus Sound

⁴² Personal communications – Del Carrodus, Havelock and Sounds Water Taxis, 7 June 2016

⁴³ New Zealand Cruising Guide, Central Area, Keith W J Murray and Baron Ralph Von Kohorn 2006

⁴⁴ Department of Conservation visitor site data June 2016



There are a number of private conservation projects in the vicinity of Waitata Bay (Tui Nature Reserve) and Te Kopi/Port Ligar. There is accommodation available at a number of sites in this area and there are ecotourism aspirations to develop product, although very limited activity currently exists.

Recreational activity in the outer Pelorus Sound is focused around D'Urville Island and French Pass. The French Pass Campsite received 5,000 visitors in 2015-2016, down from 8,300 visitors in 2011⁴⁵. However, this figure is only for visitors to the campsite. This area, although part of the more remote outer sounds, does have road access and is classified by DOC under the ROS system as 'accessible waters', with the exception of the western side of D'Urville Island, which is classified 'remote'.

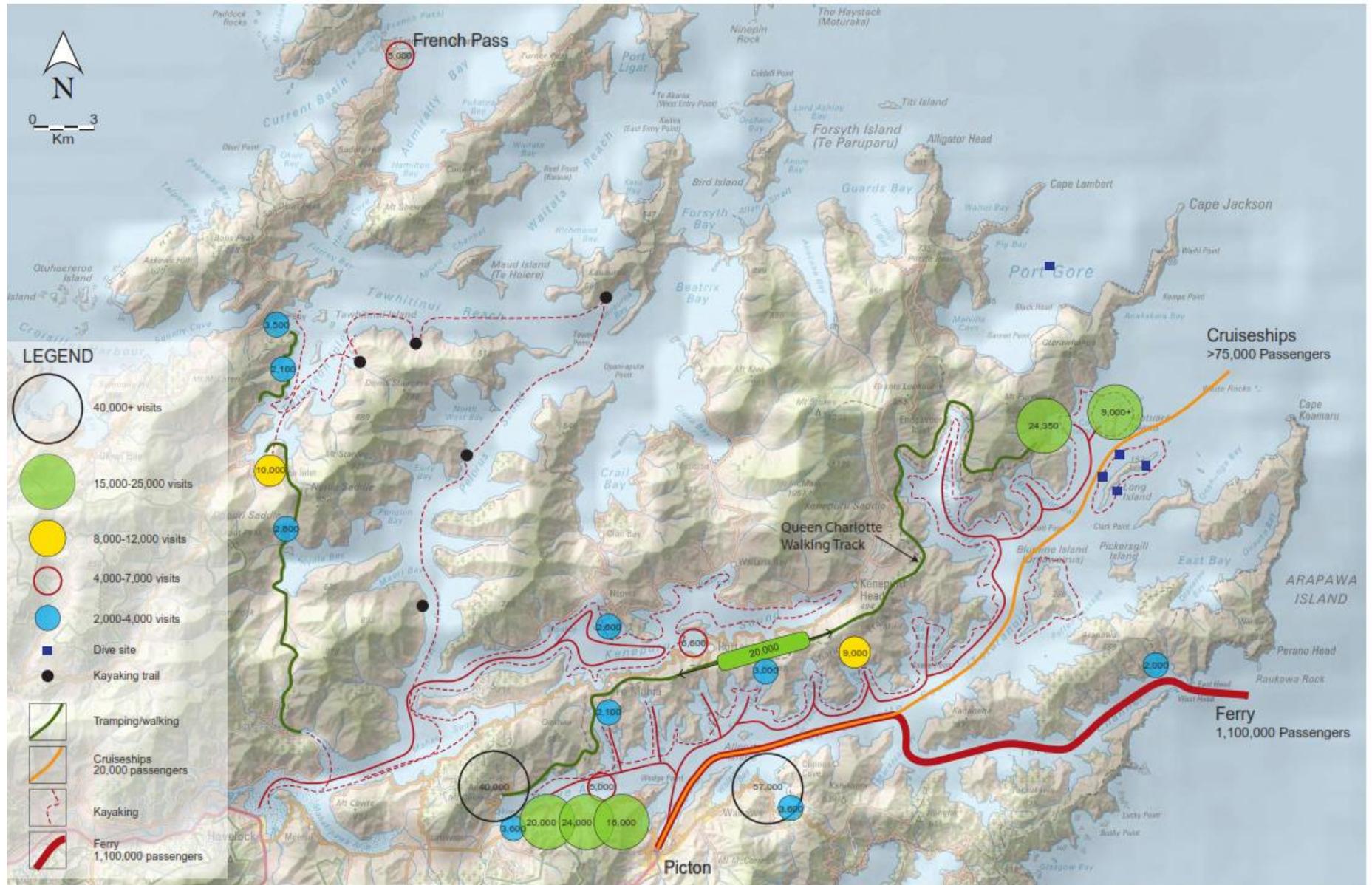
OVERVIEW OF TOURISM AND RECREATION ACTIVITIES

The Marlborough Sounds activity (map 3 below) illustrates the key sites and usage patterns and routes within the Marlborough Sounds. It was prepared following consultation with DOC and also incorporates information from other interviews. The site-specific numbers refer to DOC visitor estimates for their key sites (ie Elaine Bay Campsite, Kenepuru Sound) obtained from their asset management system. This map can be reviewed along with maps 1 and 2.

⁴⁵ Department of Conservation visitor site data June 2016



Map 3: Marlborough Sounds Recreation and Tourism Activity



2016 Marlborough Sounds Recreation and Tourism Activity
Prepared by TRC Tourism



It is important to note that activities such as boating (including sailing) and fishing occur throughout the entire Marlborough Sounds area and as a result are not detailed on the map.

However, visitor use is only one component of assessment. Remoteness, wild or scenic values are also important for specific areas that receive few visitors and users and forms part of our assessment. This is discussed further below.

RECREATIONAL PLANNING

Recreation Opportunity Spectrum (ROS)

The ROS provides a system for classifying the range of recreational opportunities available in any one place or region, and managing that range. The ROS system has been extensively used for recreation planning internationally, particularly in natural areas in the United States, Australia and New Zealand.

The ROS system has been used by the Nelson/Marlborough Conservancy of DOC within their Conservation Management Strategy (CMS, 1996) to classify terrestrial and marine recreation within the conservancy.

Under the ROS classifications, the recreation experience in ‘accessible waters’ is defined as:

“The probability of experiencing interaction with other users is variable, through to quite likely. While challenge and use of skills may be quite significant, the risks will generally be lower than if the same activity were undertaken in a more remote location.”

Under the ROS classifications the recreation experience in ‘remote waters’ is defined as:

“The probability of experiencing interaction with others is generally low through to unlikely. The level of challenge, the risk, and use of sea or outdoor skills will be significant. A largely natural experience. Dependence on group resources will be significant. Coastal modification usually limited to isolated locations. The waterways and adjacent land may show signs of modification”.

The Nelson/Marlborough Conservancy CMS classifies the land areas in and around the Marlborough Sounds according to the six ROS categories⁴⁶ that range from ‘urban’ to ‘wilderness’. The vast majority of this land area has a rural or backcountry classification, with only one area (around Mt Stanley in Pelorus Sound) classified as ‘remote’. There are no land-based wilderness areas in the Marlborough Sounds.

The marine opportunities within the Marlborough Sounds are classified by DOC using four categories: ‘urban’, ‘accessible’, ‘remote’ and ‘wilderness’.

- ▶ All of the inner Marlborough Sounds (Pelorus and Queen Charlotte) are classified as ‘accessible’ with a secondary category denoting the type of access (eg land or sea, land only and sea only).
- ▶ The outer sounds area within the headlands is also classified as ‘accessible’ and this includes all areas inward of Port Ligar and Forsyth Island and the eastern side of D’Urville Island in the Pelorus Sound, and the area inward of Cape Jackson in the Queen Charlotte Sound, and all of Tory Channel.
- ▶ There are no marine recreation wilderness opportunities in the Marlborough Sounds.

⁴⁶ The New Zealand Recreation Opportunity Spectrum. Guidelines for Users. Department of Conservation, P.C. Taylor (1993)



Natural character

The preservation of natural character under Policy 13 of the NZCPS seeks to preserve the coastal environment from inappropriate subdivision, use and development. This is an important consideration in 'remote' recreational settings, or 'wild or scenic' NZCPS 13(f) places, such as Port Gore. Other areas of the outer sounds (both Queen Charlotte and Pelorus) like Waitata Reach that are classified as 'accessible' would also be considered 'scenic' and of high-moderate natural character⁴⁷ and valued as such for recreational and tourism purposes.

DOC recreation opportunities review

In 2004 the Nelson/Marlborough Conservancy conducted a recreation opportunity review as part of a national initiative⁴⁸. The process and resulting document effectively prioritised sites on which DOC would focus its attention and resources. This has led to a focus on a number of key sites, invariably the sites that receive the most use, such as Ship Cove, the Queen Charlotte Track, Motuara Island, Blumine Island, and a number of upgrades to campsites throughout the Sounds.

Marlborough Sounds Fishing Park concept

The concept of a Marlborough Sounds Fishing Park that encompasses all of the Queen Charlotte and Pelorus Sounds is currently being assessed. This is part of the proposed Marine Protected Areas Act⁴⁹. The purpose of this park would be to improve recreational fishing in the Marlborough Sounds. The park would exclude commercial fishing, except for salmon and mussel fishing. Submissions closed on 11 March 2016.

⁴⁷ Review of Proposed Marine Farm Sites for the Ministry for Primary Industries, August 2016, Hudson Associates Landscape Architects

⁴⁸ Nelson/Marlborough Conservancy recreation opportunities review. Submissions analysis and decisions, October 2004, Department of Conservation (now updated as at July 2016).

⁴⁹ <http://www.mfe.govt.nz/publications/marine/new-marine-protected-areas-act-consultation-document>



7. Impacts of current salmon farms on recreation and tourism

GENERAL

One of the challenges in assessing the potential effects on recreation and tourism is the lack of existing formal information on use and activities at specific sites, as well as at the local and regional levels.

Marine farms have the potential to affect recreational and tourism activity in a number of ways.

- ▶ Marine farms sited on a location used by recreationalists that physically limit or block access. This may take the form of a fishing location, or a kayaking or boating route. The RMA s6(d) refers to the maintenance and enhancement of public access. So does the MSRMP Policy 9.1.1, while MSRMP Policy 9.1.6 specifically refers to recreational interests retaining dominant status over commercial activities in Queen Charlotte Sound (including Tory Channel). The NZCPS Policy 6(2b) specifies the need to maintain and enhance recreation qualities and values. The significance of these effects can depend on the user's ability to easily substitute that specific location or route for one of similar quality/type nearby.
- ▶ The location of marine farms has the potential to affect the amenity value of the recreation and tourism experience. Amenity values and natural character are addressed in the RMA s6(a) and in NZCPS Policy 13. Section 7(c) of the RMA refers to "the maintenance and enhancement of amenity values", which is defined in s2 as "those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes" In addition, section 7(f) refers to the quality of the environment being maintained and enhanced.
- ▶ In 'remote' areas the amenity value of the recreational experience has a higher level of importance due to the expectations of the users in these settings. No new salmon farm sites are proposed in 'remote' areas of the Marlborough Sounds.
- ▶ The effects of marine farms also need to be assessed on a cumulative basis. While one marine farm may have no effect on recreation in a specific area, several marine farms in the vicinity would increase the footprint and operational activity and may begin to affect an area's natural character and the amenity values of users.

However, as illustrated in section 5, marine farms also have the potential to, and do, play a significant role in the development of tourism products and experiences. Products that focus on cuisine, general sightseeing, and ecotourism (wildlife viewing) are currently using mussel farms in the Pelorus Sound and Ruakaka salmon farm in the Queen Charlotte Sound as a key component of their experience.

The Ruakaka Salmon Farm is an integral part of the Marlborough Express daily tours in the Queen Charlotte Sound and other operators also visit this site. If this site is removed, sourcing an alternative site for cruise operators would be desirable.

Marine farms can also play a positive role in supporting recreation. The mussel farms in the Pelorus and Kenepuru Sounds are acknowledged to play a key role in supporting a healthy snapper population for sport and charter fishing⁵⁰.

⁵⁰ Personal communications with tourism operators (eg Portage Resort Hotel 2011)



8. Impact of the salmon farm sites in the Pelorus Sound and Waitata Reach

CURRENT NZKS SITES

Waitata Reach is situated in the outer Pelorus Sound at the entrance to Cook Strait, and is the main thoroughfare into the Pelorus Sound.

Marine farming in the Waitata Reach area is extensive, with numerous mussel farms and four NZKS salmon farm sites. These include two active sites, Richmond (Kopāua) and Waitata, and two fallow (not used) sites, Waihinau Bay, established in 1989 and Forsyth Bay established in 1994. The Waitata site was consented in 2012 and has been operating since 2016 and is adjacent to Pelorus Wildlife Sanctuary (Te Kopi) land. While it is over 2.5km from any of the current nature reserve and/or ecotourism accommodation, there may be minor effects on existing activities, including any potential water-based ecotourism activities planned.

The main marine farming activity is focused in Waitata Bay, Waihinau Bay and Port Ligar on the western side of the reach. However, there is also a significant number of sites in Horseshoe Bay and Forsyth Bay. Richmond Bay has only a couple of sites, while Ketu Bay has no existing marine farms.

The draft Social Impact Assessment of Potential Salmon Farm Relocation in Marlborough, prepared by Taylor Baines and Associates, outlines the existing social environment of the specific sites. These observations cover the land use by local residents including holiday homes, tourism, accommodation and the uses of public and private land. Public land is primarily used as conservation land, and private land primarily as working farms.

THE CURRENT TOURISM AND RECREATION SITUATION

The main recreation and tourism activities in Waitata Reach, as elsewhere in the Marlborough Sounds, are recreational fishing and boating. The level of recreational fishing usage and details within Waitata Reach are not known. There is a shift by the guided fishing operators to go out past the Pelorus entrance to fish the D'Urville, Stephen and Chetwode Islands surrounds⁵¹. The Pelorus Mail Boat's Outer Sounds route takes in the bays (Waitata, Richmond, Bulwer and Port Ligar) of Waitata Reach once a week on Fridays⁵². However, the Pelorus Sound does not have the same popularity and high use for recreation and tourism as does the Queen Charlotte Sound.

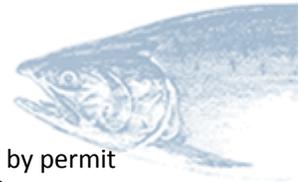
There are existing camping and lodges in the vicinity, including the Tui Nature Reserve. Other accommodation includes the Port Ligar Cottages, McCaulay's in Waihinau Bay, and the Puhenui Nature Resort in Richmond Bay.

- ▶ The Tui Nature Reserve is a significant regional conservation project. This initiative is aiming to provide both accommodation and recreation opportunities.
- ▶ Waitata Reach is classified by DOC under the ROS system as an 'accessible' recreation area. Characteristics of 'accessible waters' include "the waterways and/or adjacent land are readily accessible. Water is commonly plied by runabouts, trailer sailors, and other small vessels. Modification is apparent but not dominant."

There are no 'priority recreation sites' managed by DOC in the vicinity of the proposed Waitata Reach salmon farms. However, DOC manages the following sites in the area: Bulwer Scenic Reserve, Deep Bay

⁵¹ Personal communications – Del Carrodus, Havelock and Sounds Water Taxis, 7 June 2016

⁵² www.mail-boat.co.nz/mailruns.html



Scenic Reserve, which has a campsite, and Maud Island/Te Hoiere Scientific Reserve (entry by permit only). Maud Island receives fewer than 100 visitors annually due to a strict permit system⁵³.

The fallow salmon farm sites at Waihinau and Forsyth Bay are not currently used.

PROPOSED RELOCATION SITES IN WAITATA REACH

There are five relocation options for Pelorus Sounds and these are in Waitata Reach (see map 1).

These sites are:

- › Blowhole Point North
- › Blowhole Point South
- › Waitata Reach Mid Channel
- › Richmond Bay South
- › Horseshoe Bay

Waitata Reach is classified by DOC under the ROS system as ‘accessible waters’ for recreation, which implies a degree of modification to the natural environment and the likelihood of encountering other users and uses of the area. There is significant modification of the waterways, with other salmon and numerous mussel farms in the immediate vicinity (eg Waitata Bay, Waihinau Bay and Port Ligar). Ketu Bay remains untouched by marine farming, and is used for scallop dredging. Given the existing marine farming in the Waitata Reach and the relatively low level of recreation and tourism activity here, with the exception of fishing and boating, in my opinion the relocation of farms, taking into account the possible removal of the Waihinau and Forsyth Bay sites, will have a less than minor effect on existing recreational and tourism use and the amenity values that contribute to that experience.

The impacts of each of these five proposed sites from a tourism and recreation perspective are:

- › **Blowhole Point North 34** - No direct known impact on recreationalists or tourists with the possible exception of this site being a “special” – or secret – recreational fishing spot for fishers. This site and Blowhole Point South site are adjacent to the Te Kopi Nature Reserve to the western side of the proposed sites.
- › **Blowhole Point South 122** – a similar assessment as the one for Blowhole Point North with minimal, if any, impact on tourists or recreationalists.
- › **Waitata Reach Mid Channel 125** – this site is in the centre of the Waitata Channel and as such will be passed by recreational boaties, yachties and small Pelorus Sound day cruises. The site is close to the Tui Nature Reserve which hosts ecotourists. This site will, for some, have a perceived negative impact on the recreational qualities of the area. The active Waihinau farm site will be removed from an area in Waihinau Bay that currently has numerous mussel farms.
- › **Richmond Bay South 106** - this site is on the eastern side of the channel between Maud Island and the extension to the land mass west of Beatrix Bay. As such, this site has a similar impact assessment to the Blowhole Point North and South sites - minimal, if any, impact on tourists or recreationalists.
- › **Horseshoe Bay 124** – This site is to the south of the Richmond Bay South site. It has a similar assessment to Richmond Bay - minimal, if any, impact on tourists or recreationalists.

⁵³ Email communication – Margo Ferrier, DOC, Picton



Tory Channel

CURRENT NZKS SITES

There are three current NZKS sites in Tory Channel. This area has good water conditions for salmon farms. These are at Clay Point, which has been there since 2007, Te Pangu established in 1992 and Ngamahau which was consented in 2012 and has operated since 2015. There are also existing mussel farms in Oyster Bay.

THE CURRENT TOURISM AND RECREATION SITUATION

The main recreation and tourism activities in the vicinity are daily Interislander and Blue Bridge ferries, recreational boating (predominantly vessels over 5 metres) and fishing. Regular boat traffic through the channel is an existing use and as a result the Tory Channel, in our opinion, is more of a thoroughfare than a destination for tourism and recreation.

This area is not a major Picton scenic cruise and/or charter location; however, Beachcomber Cruises and the Cougar Line do operate Tory Channel routes each week⁵⁴. The Wellington Picton Ferries also travel through Tory Channel

While fishing occurs throughout the Queen Charlotte Sound, the area from the Tory Channel entrance through to Cape Jackson (over 28km away) is frequently used by recreational fishers and fishing tourism operators.

The Queen Charlotte Sound at the entrance to Tory Channel is classified by DOC using the ROS system as ‘accessible’ recreation area. Characteristics of ‘accessible waters’ include: “the waterways and/or adjacent land are readily accessible. Water is commonly plied by runabouts, trailer sailors, and other small vessels. Modification is apparent but not dominant”.

The Perano Whaling Station is approximately 3km northeast from the Ngamahau site. The Perano Whaling Station site has been restored. A recreation hall-cum-film theatre has been refurbished, and preservation work carried out on whale-processing equipment and factory structures⁵⁵. This site receives about 2000 visitors a year.

There are limited recreation and tourism facilities in the vicinity of the Tory Channel area. These facilities include the Arapawa homestead (accommodation), a DOC campground at Ngaruru Bay and casual tourism accommodation in some of the bays on the southern side of Tory Channel (eg Te Weiwei Bay and at Motukina Point).

The Tory Channel is classified by DOC under the ROS system as an ‘accessible’ recreation area. Characteristics of ‘accessible waters’ include: “the waterways and/or adjacent land are readily accessible. Water is commonly plied by runabouts, trailer sailors, and other small vessels. Modification is apparent but not dominant.”

There are no ‘priority recreation sites’ managed by DOC in the area, with the exception of its involvement at Perano Whaling Station. DOC manages land in the vicinity at Malcolms Bay Scenic Reserve and Tipi Bay Recreation Reserve.

⁵⁴ www.mailboat.co.nz/pgs/cruises/mail_run/mail_run.php and www.cougarline.co.nz

⁵⁵ www.doc.govt.nz/about-doc/news/media-releases/2010/former-whalers-join-celebration-of-whaling-stationrestoration/



THE RELOCATION OPTIONS FOR TORY CHANNEL

There are four proposed relocation sites in Tory Channel (map 1). These are:

- Tipi Bay (42)
- Motukina (82)
- Te Weka Bay (47)
- Tio Point (156)

In my opinion there will be a less than minor impact on the current recreation and tourism activities from the proposed sites in Tory Channel.

The four sites and the area surrounding them are classified as ‘accessible waters’ for recreation, which implies a degree of modification to the natural environment and the likelihood of encountering other users and uses of the area. There are also the three existing NZKS salmon farms and mussel farms in the immediate vicinity.

There are no ‘priority recreation sites’ managed by DOC in the vicinity of the site, with the exception of Perano Whaling Station, a historic industrial site, and the Katoa Scenic Reserve that is adjacent to the proposed Te Weka Bay site (47). This reserve is very rarely visited, heavily covered in exotic pine trees and should not be impacted by a relocated salmon farm⁵⁶. Perano Whaling Station is out of sight and over 2.5km away from the Ngamahau site. The recreational use at existing reserves has not affected the Perano Whaling Station site.

The existing land-based recreation and tourism facilities in the vicinity are not at a close distance and will not be affected.

In my opinion Tory Channel is an area of low active recreation and tourism use in comparison to Queen Charlotte Sound and parts of Pelorus Sound. To our knowledge there are no daily tour routes and only moderate recreational fishing levels. Existing users have ample opportunity and water space to continue to use this part of the Tory Channel without compromising their experience. The presence of current salmon farms at the Ngamahau, Clay Point and Te Pangu sites does not compromise the recreation amenity values of the area due to its existing classification and use as ‘accessible waters’.

Discussions with some tourism operators indicate an acceptance of current salmon farms and an expansion of sites in Tory Channel

Ruakaka Salmon Farm

The Ruakaka salmon farm site is situated in the northern Picton entrance to Tory Channel. The Ruakaka site is the main site used by tourism operators including Marlborough Tours and the Cougar Line to show visitors an active salmon farm. With its potential removal it would be desirable for NZKS to identify other salmon sites as suitable for tourism operators.

⁵⁶ Personal communications – David Hayes, Department of Conservation, 7 June 2016



9. The effects of the proposed swap of the salmon farm sites

The proposed swap of six salmon farm sites for six of nine relocation sites will not increase the footprint of salmon farms in the Marlborough Sounds. The aquaculture industry in the Sounds currently has over 560 marine farms, most of them in the Pelorus Sound.

The location of the current and the future salmon farm sites proposed by NZKS in the Marlborough Sounds is classified by DOC under the ROS system as 'accessible' recreation area. The accessible nature of the waterways and land is linked to recreational and tourism users' perceptions of the area and its amenity values. Users expect to see a natural environment with a degree of modification, whether it be the prevalence of jetties, wharves and moorings in the Queen Charlotte Sound, or marine farms in the Pelorus Sound.

Given the wide range of recreation and tourism opportunities available throughout the Marlborough Sounds, recreationalists and tourists have an extensive choice of activities and locations. Since the approval and installation of new sites at Waitata, Richmond (Kopāua) and Ngamahau there is no evidence that these new sites are having a direct negative impact on tourists and recreationalists. In my opinion, none of the proposed relocation sites have activities that are not substitutable nearby, and as a result the impact from additional farms on tourism and recreation will be less than minor.



10. Impact assessment

A qualitative assessment of the recreation and tourism impacts from each site including current sites and relocation sites is outlined below, using assessment criteria on a scale of 1 (minimal) to 5 (significant).

Key factors addressed include:

- Closeness of the site to holiday/tourist accommodation
- Closeness of the site to key recreation sites that are not substitutable
- Proximity to significant recreational/tourist boat traffic, eg Waitata Reach Mid-Channel
- Proximity to other salmon sites, eg Tory Channel
- Absence of any wilderness zoning, eg Port Gore
- Proximity to any major tourism scenic sites, eg Ships Cove, Endeavour Inlet

| Swap sites | Score | Proposed sites | Score |
|---------------------------------|------------|---------------------------------|--------------|
| Waitata Reach | | | |
| • Waihinau | 2.5 | Blowhole Point North – 34 | 0.5 |
| • Forsyth | 1.0 | Blowhole Point South – 122 | 0.5 |
| • Crail North | 1.0 | Waitata Reach Mid-Channel – 125 | 2.0 |
| • Crail South | 1.0 | Richmond Bay South – 106 | 1.5 |
| | | Horseshoe Bay - 124 | 1.5 |
| Tory Channel | | | |
| Ruakaka | 2.5 | Tipi Bay – 42 | 1.0 |
| Otanerau | 1.0 | Motukina Point – 82 | 1.0 |
| | | Te Weka Bay – 47 | 1.0 |
| | | Tio Point - 156 | 1.0 |
| Impact score for 6 sites | 9.0 | Impact score of 9 sites | 10.00 |

This qualitative assessment indicates a slight positive impact on tourism and recreation in the Pelorus and Queen Charlotte Sounds if six farm sites are swapped. The Waitata Mid-Channel site is where impacts might potentially be greatest.



11. Recommendations

- ▶ That further consultation with the tourism industry (eg boat operators, tour guides) and recreation groups (eg fishing clubs) be undertaken once MPI has confirmed the next decision making steps.
- ▶ That Recreational fishing is one area in particular that will benefit from consultation.
- ▶ That NZKS takes into consideration any design-related recommendations from experts on social impacts, landscape and navigation.
- ▶ That NZKS continues to work with salmon-farm-related operators in the Queen Charlotte Sound to seek a replacement tourism site if the Ruakaka site is removed.



12. Conclusion

If NZKS is granted approval to swap the current six approved sites for six alternative sites there will be minimal impact on tourism and recreation from all sites, with the exception of the proposed site in the Waitata Reach (site 125). Given the situation of site 125 in Waitata Reach Mid-Channel there may be a minor impact on tourism and recreation.

There is the potential to continue to grow the industry that also focuses on salmon farming as a tourist attraction. There will be benefits, if a salmon farm swap occurs and the Ruakaka farm site in Queen Charlotte Sound is removed, in nominating a replacement tourist viewing salmon farm site. NZKS has a key role to play in further developing salmon farm tourism.



Appendix 1: List of stakeholders consulted

| | |
|--------------------------|--|
| Roy Grose | Department of Conservation |
| David Hayes | Department of Conservation |
| Margot Ferrier | Department of Conservation |
| Leanne Flynn | Department of Conservation |
| Tracey Johnson | General Manager, Destination Marlborough |
| Chris Godsiff | Director, Marlborough Tour Company |
| Del Carrodus | Havelock and Sounds Water Taxis |
| Paul Quinn | Owner, Arrow Water Taxis |
| John Reuhman | General Manager, EcoWorld Aquarium |
| Paul Waldron | Pohuenui Nature Resort |
| Brian Plaisier | Tui Nature Reserve Wilderness Park |
| Phil and Sandra McCawley | Bulwer – Waihinau Bay |
| Gary Orchard | Pelorus Tours |
| Debbie and Mark Brennan | Waitata Bay |
| Jim and Amanda Ballie | Pelorus Mail |
| Mike Connolly | Commodore, Havelock Boating Club |
| Tony Crapper | General Manager, Beachcomber Cruises |
| Jill Evans | Marketing Manager, Cougar Line |



Appendix 2: Tourism and recreation data 2016

| | Annual use | Source |
|----------------------------|-------------|---------------|
| Ships Cove | 24,350 PA | DOC |
| Pelorus kayak trip | 500 PA | Del |
| Ferry through Tory Channel | 1.1 million | Tourism |
| Charlotte Sounds Track | 20,000 | DOC |
| Nydia Bay track | 2,800 | DOC |
| Havelock Cullen Point | 47,000 | DOC |
| French Pass | 5,000 | DOC |
| Whatamango | 57,000 | DOC |
| Anakiwa | 40,000 | DOC |
| Cruise ships | >75,000 | Tourism |
| Momorangi Bay (Grove arm) | 5,000 | DOC |
| Motuara Island | 9100 | DOC |
| Elaine Bay (Tennyson) | 3,500 | DOC |
| Perano whaling station | 2000± | DOC estimates |