


Economic Influences on the Future of Great Barrier Island

Report to City Planning, Auckland City Council


April 2006

Strateg.Ease

CapitalStrategy
From concepts to solutions

Version: Final– 30 June 2006

Prepared by Kelvin Norgrove (Strateg.Ease) and Cathy Jordan (Capital Strategy)

Strateg.Ease Limited
24 Akiraho Street
Auckland 3

P: (09) 630-1848
F: (09) 630-1848
M: 021 630-288
E: kelvin.norgrove@win.co.nz

Capital Strategy Limited
517 South Titirangi Road
PO Box 60 029
Titirangi, Auckland

P: (09) 817 7665
F: (09) 817 7660
E: cathy@capitalstrategy.co.nz

www.capitalstrategy.co.nz

Contents

1 Executive Summary

The Great Barrier island economy is small by any standards and increasingly reliant on domestic and overseas visitors. Most businesses are small scale and subject to seasonal peaks and troughs. Rapid increase in land value in recent years is having a substitution effect by replacing permanent residents with periodic holiday home owners.

High land values and transport costs will remain a major barrier to primary production activity. At 2.5-3 times the viable land cost for agriculture the influence of the Auckland market (and to an extent international demand) for lifestyle blocks appears to rule out significant large-scale rural production.

Horticulture offers one way of broadening the island economy by substituting for inputs currently sourced form the mainland. Small scale more intensive “cottage industry/family based” crops will continue to be feasible on blocks of 1-2ha but existing land owners with low debt-equity levels are the most likely to undertake such activity, and will become less likely as land changes hands.

A review of the size distribution and location of ‘primary’ lots should be undertaken as part of the review of subdivision policy for ‘rural’ land units. This could also address whether demand from existing owners to subdivide off smaller areas for living accommodation will have any significant effect on the availability of land for small-scale horticulture activities.

In terms of land supply it is estimated that the island has adequate quantities of vacant lots to accommodate future residential and holiday homes to meet projected demand for the foreseeable future. However, comments have been made that demand is going unmet for smaller lots in suitable locations for holiday homes, rental housing and retiree housing.

Within a generally conservative approach to subdivision potential options could be considered for designing subdivision and development controls to achieve a realignment of legacy subdivisions where there is a mismatch of current lot sizes, or boundaries are unsuitable in relation to road access or topography. This could facilitate improvement in land development patterns at a time when land is arguably the main commodity in the island economy.

Faced with an ageing land-owning resident population, further subdivision options could be considered so as to allow landowners to release some equity and supplement their incomes (including mechanisms to allow second dwellings to be built either through subdivision or density controls applicable to lots over a minimum threshold size).

In one sense the island economy has low resilience as it will substantially rely on demand for services by holiday home owners and tourists generating income for residents from food and accommodation, transport, sale of local arts and crafts, property maintenance, and recreation activities.

2 Introduction

2.1 Background to Report

In general it is recognised by residents on Great Barrier Island that the population is declining and is likely to continue to do so as a result of demographic and economic factors. The NZ Census shows the island has had a declining population since the mid 1990s and provisional results from the recent Census show the census night count fell from 1,080 in 2001 to 890 in 2006[1]. Holiday home households over summer are estimated to swell the total resident population to close to 1,500.

Causes for decline in the population and economy of GBI which have been identified out of community consultation for the review, rising land prices, lack of jobs, and an ageing population.

Auckland City Council is currently undertaking a review of the District Plan for the Hauraki Gulf Islands, and is seeking ways in which the economy could be stimulated, particularly by provisions in the District Plan.

The objectives of this report are:

- To provide background information on the current economy of GBI
- To identify potential opportunities for growth that will provide for a sustainable GBI economy
- To provide an analysis of how the potential opportunities could be incorporated or reflected through the review of the district plan.

Research has drawn on official information sources as well as discussions with a number of key businesses and community members on the island.

2.2 Hauraki Gulf Islands Strategic Plan & Economic Development

Auckland City's Hauraki Gulf islands strategic plan[2] indicates that *"we (Auckland City) are keen to see business prosper and are particularly encouraging those that reinforce the village-type settlements and island way of life. We are also encouraging eco-tourism as a way of promoting a sustainable visitor industry."*

The strategic plan also states that Auckland City is:

- Providing lots of opportunity, through the Hauraki Gulf district plan, for a diverse range of businesses to establish in appropriate locations. These businesses will allow people to work from home and provide for craft and niche industries, agriculture and horticulture.

[1] Note the census night count includes visitors not usually resident on the island and conversely omits residents who were off the island at the time of the census.
[2] Auckland City, "Caring for one of Auckland's greatest treasures", www.aucklandcity.govt.nz

- Promoting sustainable tourism for the gulf by encouraging eco-tourism ventures.
- Ensuring businesses continue to benefit from international events in Auckland, long after the events are over.
- Continuously reviewing the district plan to keep it up to date and relevant as circumstances change in the Gulf islands.

2.3 Hauraki Gulf Islands Forum & Economic Development

The Hauraki Gulf Forum was established under the Hauraki Gulf Marine Park Act 2000. In order to achieve its purpose, the Forum has identified a number of values it wishes to maintain and enhance, one of which relates to economic development as follows:[3]

- **Economic potential:** The Hauraki Gulf is valued by the regional and national communities for its contribution to the economic wellbeing of New Zealand. Much of the present economy is dependent on the maintenance of the natural and physical values of the Gulf. This dependence will most likely increase in the future.

2.4 Great Barrier Island - Quick facts

At the 2001 Census:[4]

- The usually resident population was 1,017 (a 10.1% decrease since 1996) – with at least as many property owners living offshore, particularly in Auckland.
- The unemployment rate was 17.4%, (7.9% for Auckland City).
- The most popular occupation group was legislators, administrators and managers (14.9%).
- There were 225 families and 423 households.
- 83.3% of households had access to a telephone (96.5% for Auckland City).
- Only 17% of households had access to the internet (almost one third the level of ac cess for Auckland City).

Business characteristics and trends (2001):[5]

- 97 businesses employed 210 FTEs.
- 90% of businesses are small, employing less than 5 people.
- Significant industries include construction, retail trade, accommodation, cafes and restaurants, and property and business services.
- Those business activities experiencing highest growth (in the five years to 2002) included property and business services, finance and communication services, construction services and tourist related activities.

Of the 285 square kilometres of land:

- 68% is vested with the Department of Conservation

[3] Strategic Issues For The Hauraki Gulf 2005-2008, Values Of The Hauraki Gulf, Revised Draft 1 November 2005; Hauraki Gulf Forum, Agenda, 30 November 2005 (www.arc.govt.nz)
[4] Statistics New Zealand, 2001 Census of Population and Dwellings, www.statistics.govt.nz
[5] 2001 Business Directory, Auckland City Council, Submission to Project PROBE and the Auckland Regional Economic Development Strategy Group, 27 September 2002, www.aucklandcity.govt.nz

- 5% is vested with Maori; and
- 27% is in private ownership.

% Change in the 2005 Valuation – all properties since 2002:[6]

- Annual Value - 76% Land Value -108% Capital Value – 76%

Access:

- Sea and air services. There is no publicly funded transport on, or to and from the island.

Main population centres:

- Port Fitzroy and Okiwi (north), Okupu and Tryphena (south-west); Claris and Oruawharo (Medlands) on the east.

2.5 Views of On-Island Residents and Off-Island Property Owners[7]

The following is a brief summary of surveys undertaken of on-island residents and off-island property owners in 2004. More details are provided in Appendix 1.

On-Island Residents

Generally, they value the island's diverse natural environment above all else, particularly the coastline and native bush.

There is general agreement that some infrastructural development has been advantageous, and that further infrastructural and economic development is necessary to maintain and, possibly, increase the size of the local community. However, such development must be consistent with the scale and character of the local community and protect the island's unique environmental qualities. Development is appropriate as long as it enhances the island's existing qualities.

Respondents' views about future planning and management of the island reflect a widely held view that the local community should have control of its future. While most see some place for central and local government agencies, there is general agreement that planning and management should be in the hands of local people.

Off-Island Property Owners

As with the on-island residents, off-island respondents also value the island's diverse natural environment above all else, particularly the coastline and native bush. However they also place a high value on the low key and unique nature of the community, as well as the lack of people on the island.

While respondents were generally sceptical about development on the island, they indicated that it depended on the type of development. Overall, any development

[6] Auckland City, 2005 Revaluation Update, Report to the Finance & Corporate Business Committee, 10 January 2006
[7] CRESA 2005

that would threaten the things they value was seen in a negative light and did not have a place in respondents' future vision for the island. Development was seen to be appropriate as long as it enhanced what respondents valued and added to the island's existing qualities. Most respondents considered that the future of the island needs to be managed, with both community and key agency input into decision-making.

3 The Economy of Great Barrier Island

3.1 Overview

3.1.1 General Description

There is minimal resource or land based economic activity on the island. The economy mainly consists of services to residents and visitors of accommodation, building construction and maintenance, food and beverages, general retail, transport and 'experience' tourism. Non-retail services include healthcare and real estate. There is no bank on the island.

Appendix 2 provides a summary of commercial operations and services provided on Great Barrier Island (GBI). Detailed information on the island's economy is not readily available; information sources are constrained to the 2001 Census, Auckland City reports, and a few websites and published articles.

In 2001 the median income of people in Great Barrier Island was $11,700, compared with $22,300 for Auckland City and $18,500 for all of New Zealand. It is estimated that the aggregate annual income of island residents in 2001 was around $9.3m, which indicates a very small economy[8].

Compared to New Zealand as a whole, there are disproportionately less people in full time employment or the labour force. Both unemployment and part-time employment are higher reflecting the seasonal nature of much of the available unskilled work.

Most businesses on the island are small scale and subject to a marked up and down cycle due to seasonal trading. Providing capacity to meet peak demand can be difficult or impossible for some businesses due to labour not being available or because it does not make commercial sense to invest capital and incur overhead costs which make the business more vulnerable to seasonal downturns.

Absentee landowners contribute to the community financially for relatively short periods, supporting construction and property management and maintenance services, retail sale of goods such as fuel and groceries, and dining out.

Potential business is 'lost' to the island as a result of:

- holiday home owners and residents bringing their own supplies or arranging goods delivery from Auckland and other main centres
- absentee ownership of on-island businesses, including lodges and mussel farms which means profits are repatriated elsewhere. Off-island owners may also bring in other contractors for harvesting, maintenance etc. effectively by-passing the local economy.

[8] NB. 2001 census figures for income are distorted by the fact that 20% of the population did not record their income compared to 11% for all of New Zealand.

- mainland firms winning lead contracts from the Council or DOC etc. which can mean on-island businesses act as sub-contractors and a greater proportion of contract revenues bypasses the island.

3.1.2 Population

The 2001 Census reported a 10% decrease in the population since 1996 to little over 1,000 people. After 30 years of population increases, the Island appears to be entering a period of population decline. This trend can be related to low fertility and low migration caused by increases in the cost of land, along with decline in resource based activities, especially farming and fishing, and related employment in those sectors. These factors have resulted in fewer young families being able to afford to purchase land.

GBI was not showing an especially ageing population in 2001 compared to the rest of Auckland. However in the five years since the census many school children will have reached secondary school age[9] and it is likely that with some families having left the island the present age distribution will have moved closer to that of Auckland City as a whole.

Age distribution (years)			
	Great Barrier Island	**Auckland City**	**New Zealand**
0-14	22.1%	19.7%	22.7%
15-64	69.0%	70.0%	65.3%
65+	8.8%	10.3%	12.1%

A Metro Magazine article in 2003 also reported GBI's population as aging based on Work and Income figures showing a growing number of superannuitants compared with other benefit types.

Population decline is a general concern, given possible loss of services and diminishing economies of scale that potentially make service and infrastructure development uneconomic. Most people, including within the Auckland City Council, and the Auckland Regional Council, recognise that any reversal of the current decline requires economic development, especially through tourism.[10]

In effect the island has been priced out of the entry-housing market. The people who are becoming landowners are those who can afford to use the Island as a holiday destination. The population decline will impact on the island's ability to sustain business activity through a shortage of youth and working age people to either take or create their own employment[11].

---

[9] There is no secondary school. The options for residents once their children reach secondary school age are to send them to boarding school, correspondence school or move away.
[10] CRESA 2005
[11] It is noted that other rural and coastal areas in New Zealand (eg. Matakana, Northland) have also experienced labour shortages and the loss of young people in the 19-30 year age group, often associated with a lack of training facilities and affordable housing.

3.1.3 Farming and Horticulture

There are three main dairy and beef farms on the island. Successful horticulture includes babacos and macadamia nuts.[12] Large-scale farming or horticulture is not an economic proposition for most property owners and most existing activities should be viewed as a way of life rather than a way to make a living. Much of the land previously used for framing has either converted back to natural bush, or been sub-divided into sections – especially in the southern end of the island.

3.1.4 Aquaculture

Together with tourism, aquaculture is reported as being one of the island's main sources of income.[13] There are a total of 29 hectares of aquaculture areas on Great Barrier Island[14] consisting of eight mussel farms, four of which operate within Port Fitzroy. The industry is reported as being stable and producing some of the best export quality mussels in the north. It is also considered that it is currently at a sustainable level. Expansion of existing operations is not provided for under the ARC's Auckland Regional Plan: Coastal.

In response to the rapid increase in demand for coastal space for aquaculture activities, central government placed a moratorium on the processing of resource consents for aquaculture activities in March 2002. The purpose of the moratorium was to allow regional councils whose plans did not provide strong policies and defined areas for aquaculture (Aquaculture Management Areas) to do so. The moratorium expired in 2004.

As a result of the moratorium, the ARC notified Variations 2-6 of the Proposed Auckland Regional Plan: Coastal in 2002. The Variations amend provisions relating to the development and management of aquaculture activities in the Auckland Region. Variation 5: Aquaculture relates to Great Barrier Island.

From mid 2000 to late 2001 the ARC received seven applications for coastal permits to mussel farm. Only one of the applications was declined. The applicant's appeal was heard by the High Court in 2005 which dismissed the appeal and upheld the ARC decision.[15]

An ARC report[16] produced in support of Variations 2-6, indicates that "movement or expansion of existing mussel farming operations at GBI is not provided for. The broad strategic direction presented in the Variations is that the resource management objectives for Great Barrier Island should be directed more towards preservation or enhancement of the currently high quality natural resources of the coastal area, and to continued public access to and enjoyment of these resources, than towards provision of increased space for marine farming activities."

---

[12] www.greatbarrierisland.info
[13] Professional Skipper magazine, Issue 22, June/July 2001
[14] Auckland Regional Council, State of the Auckland Region Report 2004
[15] Report to Environmental Management Committee, ARC, 13 February 2006
[16] Auckland Regional Council, "Mapping Potential Aquaculture Management Areas in the Auckland Region – Stage 2"

Any further aquaculture proposals on GBI will be expected to be challenged by recreational boaties.

3.1.5 Fishing

Some crayfishing takes place from the north of the island (with personal or lease iwi quota). There is no wetfish industry since fishing quota held by individual islanders was sold in 1995 to Moana Pacific Ltd. It is understood that there are no longer any commercial fishermen employed by Moana based on the island.

This means all fish sold in food outlets must be sourced from the mainland which is viewed by many as detracting from the visitor experience of the island.

3.1.6 Land and building construction

The number of new properties being built is increasing. Whilst this statement suggests a contradiction in terms of a declining population, what appears to be happening is that some people are leaving the Island to get better paid jobs or to educate their older children, while those who have excess land are subdividing and selling it to derive income. Sales are predominantly to off-island individuals who can afford to purchase high value land and build a (high quality) house on it.

Provisional 2006 Census results record 'occupied dwellings' as having fallen from 480 in 1996 to 430 now. This is more than the total number of dwellings recorded by Auckland City's valuation roll which has 332 dwellings (but it is less than the total number of residential buildings once baches are included[17]). The valuation data identifies a total 1,426 properties on the island[18] of which 27% are vacant (equivalent to 80% of the total number of detached dwellings and baches).

GBI properties classified for valuation purposes

Detached dwellings	332	23.28%
Baches	154	10.80%
Vacant land	384	26.93%
Primary Industry-vacant idle	185	12.97%
Multi-use primary	28	1.96%
Stock fattening	117	8.20%
Other*	228	15.99%
Total	1426	100.00%

*includes commercial, recreation, multi-flats etc

Source: Auckland City 2006

Final census results may provide a more accurate estimate of the proportion of holiday homes (classified as empty or unoccupied) to permanent ones. The Council's

[17] This is likely to be explained by some baches being occupied at the time of the Census as well as some baches and dwellings not being identified by Census enumerators.
2006 Census results record 'occupied dwellings' as having fallen from 480 in 1996 to 430 now.
[18] Note this will not be the same as total subdivided lots given multiple lots may be under one title or otherwise not included on the Valuation Roll.

valuation roll suggests the ratio is around 2:1. Similarly, it is estimated from local knowledge that in the past two and-a-half years, new building consents have been for holiday homes twice as much as for permanent residents dwellings:

Building type	Number
Residents dwellings	15
Baches/holiday homes	26
Non-residential	10
Total Oct. 2003-April 2006	51

Source: Auckland City Council service centre 2006

In other words, about close to 10 holiday homes have received consent each 12 months compared to 5 residents dwellings. Real estate agents advise that currently around 75% of sales of existing houses are for holiday homes.

This suggests that without growth in permanent residents, holiday homes could eventually overtake the proportion of occupied dwellings in the total housing stock. For instance if 10 holiday homes come into being every year (say 7 new builds and 3 through sale of existing houses), the number of 'baches' will equal the number of 'detached dwellings' around 2020 (reaching close to 290 properties each). This is based on a slower rate of building holiday homes than has occurred in the past two and a half years.

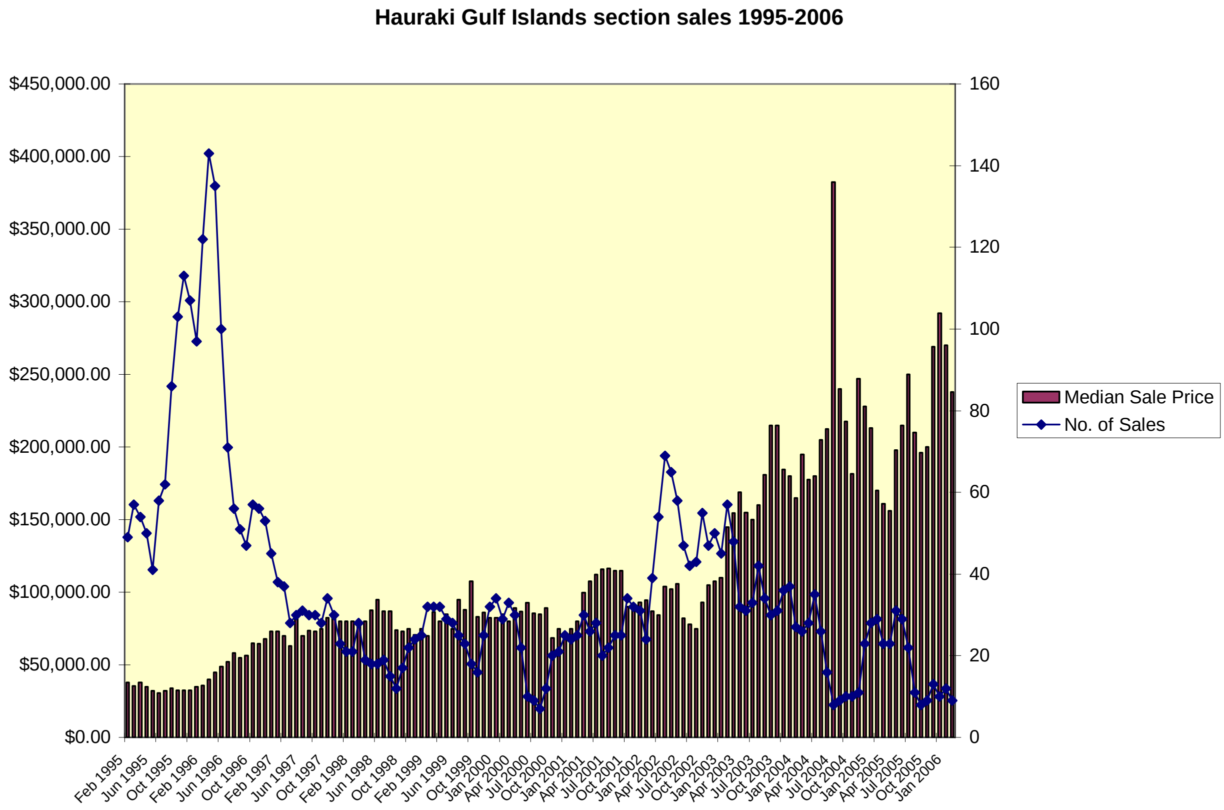
There has been a significant rise in land values on the Island since the late 1990s, as indicated in the table below[19].

Year	Land Value	Revaluation
1998/99	78,388,300	1997 basis
1999/00	82,917,300	1997 basis
2000/01	103,178,650	1999 basis
2001/02	118,242,750	1999 basis
2002/03	119,731,750	1999 basis
2003/04	190,555,300	2002 basis

Whilst recent increases in land value act as an incentive to subdivide and sell spare land (subject to complying with minimum lot sizes), high land value also acts as a barrier to new start housing for young people and families etc. Real Estate Institute figures show that the Hauraki Gulf islands as a whole have experienced price increases from a median of around $100k in 2002 to over $200k in 2005[20]. March 2006 prices for

[19] Because a revaluation is done every three years small movements are experienced in some years and then a large movement in the revaluation year.
[20] This mirrors the Council's revaluation for 2002-2005 where land values rose by 108%.

vacant sections on GBI in the 1000-2000m2 size range vary significantly from around $150,000 to over $400,000[21].



Source: REINZ

The REINZ figures show a decline in the total number of sales over the 2002-2005 period for the Gulf Islands as a whole. The number of sections being sold has not shifted markedly from earlier years which might suggest demand pressures are being felt fairly evenly, and whilst there will be a dampening effect from higher prices, the figures do not indicate a major upward shift in demand for vacant lots in recent years.

If this pattern continues gradual increases in the islands housing stock will keep providing a base of employment for tradespeople and other suppliers, but the ratio of permanent to holiday homes will tend to decline. This implies a widening of the gap between peak summer and baseline populations with obvious implications for the economy in terms of seasonal fluctuations in demand for goods and services.

Residents already believe much of the building trades work on the island is undertaken by companies not based on the island (which reduces local employment). Servicing of holiday homes provides some employment (eg. turning on the power, charging batteries, clearing gutters and lawn mowing, maintenance and cleaning). While the work is welcome, many locals fear that there role on the island will be one of purely servicing wealthy absent home owners properties.

[21] Refer www.realenz.net/johncran and www.realenz.net/greatbarrierisland

2.1.7 Other Commercial Operations

These span shops (e.g. gift shops, stores, bottle shop, pharmacy), property services (e.g. builders, builders' suppliers, contractors, drainlayers, electricians, engineering, fencing services, gas fitters, hire equipment, saw milling, stonemason); cabinet and furniture makers, car repairs, dive equipment; freight carriers, hairdressers, health and fitness, veterinary services.

Commercial operations targeted towards tourists and holiday makers include local artists and craftspersons; transport (tour companies, buses, rental cars, transfers, bicycle hire), dive equipment, tour companies (kayak, fishing and sightseeing), restaurants/ cafes and accommodation providers (backpackers to luxury).

Local products include Barrier Gold (natural kanuka products), macadamia nuts and chilli sauces.

3.1.8 Public services

Services provided include the Police Station, the GBI Visitor Information Centre, Auckland City Council Area Office (Claris); The Department of Conservation (DoC) has a Port Fitzroy Area Office; health services include a dentist, nurses (3), optometrist, osteopath and physiotherapist, and pharmacy. There are three schools and one playcentre. There are also a number of sports, recreation and social clubs.

The local community boasts that it is gaining a reputation as a centre for environmental technology.[22]

3.2 Tourism

3.2.1 Visitor Numbers

There is currently no single method employed on the island to monitor numbers of visitors to the island per year and little in the way of data about visitor motivations.

CRESA reports that most visitors to GBI are Aucklanders. Previous visitor statistics built up by the visitor centre, and confirmed by GBI health providers as they plan for the peak summer season, show that 75% of visitors come from Auckland and 25% from other areas (including around 5% that come from overseas).

Activity is seasonal consisting of a short peak around Christmas. Ferry passenger numbers are confidential but they are estimated to exceed air passenger numbers and follow a pattern of staying relatively high from December through to May, peaking in March and dropping to a low in July. The high season of December to May (6 months inclusive) accounts for around 60% of total trips. Anecdotally numbers have dropped since Fullers pulled out the regular fast ferry service in 2001. Without the ferry service the island has also lost the benefits of Fullers' marketing.

[22] Julie Warren, "Great Barrier Island: A case for a participative approach to integrated destination management", Centre for Research, Evaluation and Social Assessment (undated).

Total landings at the Claris airfield are estimated to have averaged 282 per month over the December 2005-June 2006 period. This equates to an average 9 landings per day. Passenger numbers are not available but at an average of say six passengers per landing, this would indicate close to 1,700 per month or 20,000 per annum.

The Visitor Information Centre at Claris has reported that the industry has survived by catering for a niche market of visitors, who can afford to fly and are spread over the year rather than just over the summer. Accommodation providers report people coming to the island include couples of all ages, groups of backpackers/campers, and fishing/boating/tramping club members.

There are an estimated 711 visitor-beds on the island and these are nearly all in the south. The Visitor Information service also organises short-stay rental of private houses and reports that there are few repeat visits, implying perhaps that it is seen as a relatively expensive destination. It also suggests the need for regular marketing so as to attract new visitors.

Tourist numbers in the North appear to be on the increase, related to the increased number of boat visits to the island from Auckland and further afield. Hundreds of boats may be moored at any one time at Port Fitzroy and other sheltered bays. Along with Waiheke, Great Barrier is one of the most popular anchorages in the gulf. A survey of the number of boats at anchor at various recreational destination sites in the Gulf at the peak of summer in 2002 identified 1,559 boats, with a total of 501 being anchored at GBI.[23]

Location	Boats within mooring area	Boats outside mooring area	Total
Other Gulf locations	322	264	586
Waiheke	269	203	472
Great Barrier	127	374	501
Total	**718**	**841**	**1,559**

According to one tourism operator, he counted 1,500 boats in Fitzroy harbour on one night during the 2005/06 Christmas/New Year week when rough weather brought boats from around the island to shelter there. At an average of say 4 people per boat this suggests around 6,000 visitors to the island during a period of a few days and perhaps as many as 25,000-30,000 total such visitors on private boats over the summer months (assuming an equivalent of 1,000 boats for 3 days each over a consecutive 'elapsed' period of 21 days).

Day trippers and people staying on their own boat tend not to be regarded by locals as tourists as they put little money into the local economy.

[23] Hauraki Gulf State of the Environment Report 2004 (www.arc.govt.nz)

The Department of Conservation has walking track counters on the island. Unfortunately, trend analysis over several years is not possible because few tracks have complete datasets. Data from counters on seven tracks indicate that at least 32,828 people used the tracks in 2002. The most popular tracks were Kaitoke Hot Springs with at least 13,467 visitors and Windy Canyon with 6,760 visitors.[24] These figures compare favourably with 18,627 visitors using the Rangitoto Summit boardwalk in 2001 or 1,243 using the Motutapu walkway in 2000[25].

Based on piecing together the above sources of information and deducting an allowance for trips by permanent residents it is estimated that around 80,000 people visit the island each year. This includes peak summer visitors consisting of holiday home owners and their visitors arriving by plane and boat, as well as private boat occupants anchoring off the island.

Estimate of annual visitor numbers to Great Barrier Island

Passenger transport#	51,651
Private boat*	28,000
Total	**79,651**

#estimated total annual passenger numbers by ferry to Tryphena and air to Claris;
less allowance for residents trips at 890 x 26 trips ea pa.
*assume 1000 boats with average 4 persons each for average stay
of 3 days for total elapsed time of 3 weeks over summer.

This estimate compares with that of 60-70,000 visitors to the island in 1992 suggesting average annual growth of as little as 1.0% over the past 14 years[26]. In contrast Waiheke Island is estimated to have had 193,750 domestic day visitors and 38,350 international day visitors in 2003[27].

3.2.3 Current Range of Tourism Activities

The tourist industry is the largest area of employment on the island taking into account transport, adventure tourism, services and accommodation. This industry is in a healthy state however it is seasonal running through from the Christmas period for about 3-4 months long.

[24] Duncan, M. 2003 Auckland Conservancy Visitor Monitoring Report 2002, July 2003, Department of Conservation, Auckland Conservancy - Hauraki Gulf State of the Environment Report 2004 (www.arc.govt.nz)
[25] Figures obtained from DoC in 2004.

[26] Boffa Miskell, "A Tourism Strategy for Great Barrier Island", 1993

[27] Refer Doug Fairgray (Market Economics) evidence on Matiatia development proposal, 2004.

The island is highly valued for its natural features and for water and land based recreation including:

- Coastal and forest walks and routes
- Wildlife
- Thermal springs
- Mountain biking
- Snorkelling
- Camping
- Historic sites (by permit)
- Boating
- Swimming
- Surfing
- Diving
- Fishing
- Kayaking

There are a range of short walking tracks and longer routes, six campsites, one backcountry hut, mountain bike routes, and many natural and historic features to explore. These are administered by DoC. Most facilities are in the central part of the island.

There is substantial potential for the Island to develop tourism that is suited to the natural character of the Island and there are some definite synergies that exist between conservation and tourism. Wildlife flourishes, and the Island is also a haven for rare birds and lizards. Great Barrier Island boasts an environment without possums, deer, wallabies, ferrets and stoats and populations of a number of rare species still exist on the Island. Around the coast, there are endless white sandy beaches and crystal clear waters that offer fishing and diving experiences.

The Island's history includes whaling, kauri logging and associated industries such as kauri gum, silver, gold and copper mining and can be visited at small museums in Medlands, Okupu and Awana.

A range of accommodation is available from luxury lodges offering high levels of cuisine, homestays and cottages through to backpacker hostels and basic camping grounds. Some people move out of their homes during summer to boost their income and accommodate the tourist industry.

Many operators say that due to the falling population they are increasingly finding it hard to recruit people at the beginning of the season. This problem has increased markedly over the last 5 years.

3.3 The Department of Conservation

DoC indicates that GBI is one of the last great wilderness areas of the Auckland region. A significant portion of the land area is vested in DoC. DoC's focus is on halting the decline of New Zealand's indigenous bio-diversity, preserving sites of historic and cultural value, promoting public enjoyment of conservation areas, and developing partnerships with the public and Tangata Whenua. On GBI their mandate is met by eradication programmes for introduced species such as feral goats, rats, cats and invasive weeds.

They have six campgrounds and two huts available for use as well as a well-maintained track network through the bush. The DoC estate is a natural resource that helps the island tourist industry. However, there is at times conflict and factionalism within the community between those who value the conservation activities and those who believe them to interfere with individual rights.

DoC and Auckland City signed a Memorandum of Understanding (MoU) in 2003 to foster a closer working relationship between the two organisations.[28] It is essentially a relationship protocol. It is noted that the GBI Community Board did not support the MoU for the reason that it had not been made a party to it (18 May 2004).

Auckland City's report also stated that while DoC is clearly under-resourced, particularly in terms of the visitor industry, it appeared that DoC was gearing up to more fully address this aspect of their work. Initial matters (among others) for discussion between the two organisations were land rationalisation on GBI, marine reserves (strategic approach and eco-tourism opportunities) and achieving greater visitor opportunities (review of visitors in the Hauraki Gulf Marine Park that is within the Auckland City district, exploring opportunities for co-operation, management of concessions to ensure benefits to the community).

3.4 Access and Transport

The current transport options include a mix of cheaper, but slow and uncomfortable, ferry trips from Auckland (provided by Subritzky) and fast but more expensive flights from Auckland and Whangarei. Four companies compete for freight and passenger services. There are two airlines Great Barrier Air and Mountain Air, both transporting freight and people. In the 2005 season they report that the numbers of people using their services have increased. This is in contrast to other service providers interviewed and is probably more related to Fullers withdrawing their services than actual increased visitor numbers.

Flights are limited to daylight hours. Most demand for night flying is for emergency and compassionate reasons. Airline operators would also like some extension to the flying hours to provide greater capacity during peak summer period. Night lights would allow more convenient services for weekend passengers, particularly Friday and Sunday evenings but currently there is no commitment to provide these at Claris.

The current range of ferry options to the island is more limited than two to three years ago. During the peak summer periods and some public holidays, more frequent and faster ferries are temporarily provided by Fullers (now owned by Stagecoach). Subritzskys (now owned by SeaLink) provides the main freight and passenger service to the island sailing at least twice most weeks. Some argue in reference to the quality of the Eco-Islander boat trip that a faster more comfortable sea journey is a pre-requisite to growing ferry passenger numbers but it is generally accepted that the island is hugely dependent on this service.

[28] Auckland City, "Memorandum of Understanding: Department of Conservation – Auckland City Council", report to City Development Committee from the Manager, City Planning, 7 May 2004; report to Great Barrier Island Community Board from Matthew Paterson, 5 May 2004

Transportation is hampered by the geographic isolation of the island and the winter climate. Not infrequently, weather conditions result in the cancellation of ferry sailings and the closure of the airfields.

There is no public transport on the Island and private carriers are relatively expensive.

Some see the transport options as curtailing tourism development and would like to see more regular ferry trips, including in the shoulder periods that would enable families and others on tighter budgets to visit the island on a more regular basis. Others see the provision of cheap transport to the island, and the influx of many visitors, as potentially undermining island values. They see the transport difficulties as an effective, if indirect, way, to keep visitor numbers down and, because flights are more expensive, discourage less wealthy visitors from going to the island. Thus, the transport problems could be seen as an opportunity to put into action a tourism strategy that encourages high yield visitors.

Roading is another issue, both in regard to road sealing and to speed limitations. Road upgrading was by far the most frequently identified improvement on the island by on-island residents and off-island property owners over the last five years. It is understood that the Council intends to seal the road between Claris and Port Fitzroy at some stage. While local people are tired of the dust and wear and tear on cars, especially given the extra servicing costs they face, they also see the roads as a barrier to tourism development, especially in the north, and a danger given visitors' inexperience of metal roads and the open speed limit.

In September 2005, the GBI Community Board discussed two issues relating to the Claris Airfield - maintenance costs for the airfield and the development of an airport terminal building. Auckland City has implemented passenger landing fees for Claris airfield and proposed the introduction of a 'user pays' system for the development of a terminal building (providing better shelter for passengers and accommodation for vehicle hire services etc). The Board resolved to report back on alternative options for maintenance of the Claris airfield.

3.5 Strengths and Weaknesses of the GBI Economy

Based on the above information, the following table is a summary of the strengths and weaknesses of the GBI economy.

Strengths	Weaknesses
Low population density Diversity of landscapes within a small area Very good walking tracks and amenities The quality of the natural environment Full range of recreational activities available Infrastructure capacity available for a potential increase in population	Declining permanent population and rise in occasional on-island residents Decreasing housing affordability and accessibility for local people (as property prices rise) Limited employment opportunities Reduced economies of scale around service provision and infrastructural maintenance and development

Strengths	Weaknesses
Benefits of (economic and population) growth recognised and supported by number of residents Potential to improve facilities and offer more concessions in DOC estate for guided tours etc.	Seasonal economy becoming more exaggerated from rise in holiday home use High cost of fuel for power supply and vehicles High cost of transporting goods and services to and from GBI No public transport on the Island Patchy cell-phone coverage Remoteness – 90km from Auckland (day trips not feasible for large numbers of people)

3.6 Potential Opportunities for Growth

3.6.1 Facilitating Tourism Opportunities

Tourism Auckland (2003) cites an estimate from the Maritime Safety Authority that approximately one-third of 300,000 recreational vessels in New Zealand are located in the greater Auckland area from Coromandel to Kawau. About 58,000 Auckland households own a boat, increasing at around 1,600 a year. This suggests good reason to expect growth in numbers of vessels anchoring around GBI as other areas of the Hauraki Gulf become more crowded.

Tourism Auckland also identified International visitor day 'stays' in Auckland forecast to increase by 64% over the seven-year period 2001 – 2008. Domestic visitor days were forecast to increase by 18%. Tourism Auckland suggests that the higher socio economic sectors of Auckland's resident population, together with the high yield inbound markets of Australia, UK, and USA offer the best 'fit' for target market for tourism in the Hauraki Gulf Islands (keen on soft adventure, enquiring, enjoy meeting New Zealanders, interested in history, enjoy the outdoors).

Tourism development on GBI is viewed by a majority as the only real option for long term economic sustainability of the island, although people remain concerned about its possible effects [29]

Concerns relate to continued growth in holiday homes; continuing shift in balance between on and off-island residents; decreasing housing accessibility for local people as housing prices rise; that tourism may only provide low wage/low skill job opportunities, which cannot support local residents and their current lifestyles; crowding from increased visitor numbers (although most people believe that current numbers could be at least doubled); and increasing limitations on what local residents can do on their land.

CRESA's reports provide an approach for the management of tourism development. They cite the following management issues around tourism development:

[29] The following sections are sourced mainly from CRESA, "Great Barrier Island: A Case for a participative approach to integrated destination management), Julie Warren.

- Widespread distrust of DOC (exacerbated by the marine reserve proposal process) and, to a lesser extent, ACC (exacerbated by factors like some ill-conceived development, increasing limitations on subdivision). Also, little coordination between government agencies;
- Identifying the best mix of visitors to maximise economic benefits but protect local values (generally seen as low volume/high yield growth)
- Developing and coordinating a complementary range of accommodation types and visitor activities
- Developing a subdivision policy so that further growth is possible but GBI values are protected
- Managing predator risk, given increased visitors numbers, so that the long term plan to eradicate pests is not compromised
- Addressing the limitations of GBI's current infrastructure (especially roading), given the likelihood of continued low investment
- Transport, where the current mix of cheaper, but slow and uncomfortable, ferry trips and fast, but more expensive flights, provide some control over visitor numbers and types.

CRESA's research reports that most of those who support tourism development on GBI are interested in its potential to provide economic benefits, especially employment, as a basis for maintaining or enhancing population levels and, in turn, services and amenities. There may also be other conservation-related benefits. For instance, if GBI becomes an eco-destination, tourism has the potential to:

- Enhance public awareness of, and support for, conservation;
- Demonstrate how a model for ecological restoration on an inhabited island can work;
- Provide the economic justification for further investment in pest eradication and other strategies to enhance biodiversity.

Given GBI's distance from Auckland and the modes and costs of transport available, most visitors stay at least one night.

There is general agreement that GBI tourism is likely to grow as visitors continue to look for new and unspoilt destinations. Some see the growth as positive, with opportunities for the community to build on the unique qualities of the island, and develop tourism that is sympathetic to the very qualities that attract visitors. In this scenario, and with the appropriate product, amenities and infrastructural development, GBI could be marketed as an icon of Auckland. Some strategies suggested by local people for achieving this outcome include:

- Effective promotion of GBI and its attractions to the people of the Auckland isthmus;
- Maybe establishing a National Park on the island ;
- Eradicating pests and conferring a special status on GBI as one of the largest pest free islands in world ;
- Levying visitors as a way to fund pest eradication and other conservation activities on the island;
- Developing a complementary range of accommodation types and visitor activities;

- Better co-ordination between tourism operators for promotional activities and putting together packages of accommodation and activities for visitors;
- Information resources to inform visitors of the special qualities of the island, and its lifestyle, both before they reach the island and at key visitor sites.

Others are more skeptical about tourism growth. While they agree that it is likely to happen, they are less positive about the benefits. One scenario sometimes mentioned by local residents is growth in the number of visitors and holiday homes, with subsequent rises in property prices. In this scenario, residents see little opportunity for desirable economic development at the local level. Instead, they rather pessimistically see the island way of life disappearing as residents become the carriers of vacuum cleaners or variously engaged in other menial tourism-related occupations. Given increasing house prices, these jobs are not seen to even provide the workers with the incomes necessary to remain on the island.

Regardless of their view of tourism's future, there is general agreement among the GBI community and other stakeholders that tourism development needs to be managed if it is to provide the anticipated economic and conservation outcomes, protect the island's unique points of difference and provide incomes that enable people to remain on the island.

Considerations for management include identifying the best mix of visitors that would provide the economic benefits but protect the island's values. Some stakeholders believe that the best mix is likely to be based on low numbers and high yield per visitor rather than high volume of visitors and relatively low yield, which typifies some of the current tourism activity. Such a management approach is also predicated on high quality products and experiences. Some other stakeholders disagree, for instance because they are interested in maximising occupancy (especially relating to transport) or in encouraging visitors to experience the natural environment while also protecting it.

Issues to consider in protecting the island's values centre on maintaining the GBI lifestyle, which forms part of the appeal of the island to visitors. There are reports that some community members have been, for instance, so protective of their lifestyle that they have resisted amenities that might be seen to make life easier, in particular the upgrade to the telephone system or opposing lobbying activities aimed at improving other infrastructure. Concerns are often expressed in terms of threats to the eclogical values of the island (eg. how can predator risk be managed in the face of increased numbers of visitors to the island?) or lifestyle and recreational values (eg. increased visitor numbers seen as leading to crowding in some island locations).

Further tourism development will always be constrained by the limitations of GBI's infrastructure, given the island's isolation and terrain. The limitations on tourism imposed by these infrastructural limitations are looked upon both positively and negatively.

The following points have been identified as some of the areas that could open up opportunities and facilitate a more robust tourist industry[30]:

- A quality branding image for the Hauraki Gulf that could be developed and marketed and have a nationally recognised special status
- Increased national and international recognition of the high environmental values found on Great Barrier Island
- Accommodate more regular visitors with daily ferry return trips to the Island with the option of ferries going to Fitzroy
- Night flights to enable people to commute to and from the Island daily
- Promotion and marketing of the Island's bio-diversity and landscape that offers a wide variety of opportunities and experiences accessible to everyone
- Local tourist operators applying for concessions and offering guided walks
- Provide a sheltered workshop with parking and visitor facilities for local inhabitants to create cottage industries, i.e. wooden furniture, arts and craft, wine making, etc.
- Provision of emergency shelter to accommodate "campers" when weather closes in and they are unable to get off the Island
- A shift towards a "seamless" (all year round) visitor economy

3.6.2 Great Barrier Marine Reserve

The proposed marine reserve has been contentious with some submitters disagreeing with the purported economic benefits[31]

DoC indicates there are opportunities for eco-tourism operators to establish around the marine reserve as is the case in other marine reserves (e.g. Poor Knights Islands Marine Reserve, Leigh Marine Reserve, Hahei Marine Reserve).

The economic benefits of the reserve would be expected to increase over time. DoC cites the following research undertaken to determine the socio-economic implications of establishing marine reserves:

- Cash injected into the local economy by visitors to the Hahei marine reserve supplemented the livelihood of local businesses.[32]
- A study by the Rodney Economic Development Trust showed that the Leigh marine reserve contributed $12.5 million per annum to the Rodney district (although it is recognised that Leigh is more readily accessible to visitors, particularly day-trippers than GBI).

In its submission to DoC on the marine reserve application, Auckland City[33] indicates that the (proposed) marine reserve offers the opportunity to:

[30] Auckland City 'Great Barrier Island Overview and Strategy', February 2003.
[31] Refer to www.seafriends.org.nz
[32] Cocklin, Chris and Flood, Sharon (1992), The socio-economic implications of establishing marine reserves. Report for the Department of Conservation.

- foster appropriate economic growth on the island through expansion of eco-tourism enterprises;
- strengthen conservation of the natural environment; and
- enhance the sense of community on the island.

Auckland City believes that establishing Great Barrier Island as an eco-tourism destination provides the opportunity to find the balance between conservation and development of a sustainable economy on the island. In doing so Council consider that it is vital that the economic benefits of enhanced eco-tourism opportunities on Great Barrier Island are managed in such a way that such benefits and opportunities flow back to and through the Island community.

Auckland City expressed particular concerns about how DoC will manage these opportunities especially in relation to the granting of concessions to commercial operators to work within the marine reserve. ACC stated that DoC needs to consider the criteria for granting concessions before a reserve is established and that the granting of any concessions to operate a commercial operation in the reserve should provide the local community with decision-making rights and with a possible right of veto:

> "The economic benefits that will accrue to the Island through continued investment and re-investment in the Island (for example the building and management of hotels/ motels) by commercial operators with Department concessions will be considerable and would in the medium to long term create an economic base for the island to grow and develop from.
>
> However, there is also potential for negative impacts on the local economy and social fabric of the island in allowing concession holders to operate in the reserve without investing in the island or having regard to the island's social and economic development. This would be catastrophic and is inconsistent with the Government's economic growth and social development goals. Further such an outcome would be in direct conflict with Council's strategic direction for the Island and the Gulf.
>
> Importantly if the Eco-tourism benefits are to be realised the management and granting of marine reserve concessions needs to be integrated with land conservation areas on the island. This is important as the granting of concessions giving exclusive rights of control and management of all or part of the reserve to a private entity has the potential for restricting public access to a conservation area through charging mechanisms and other means such as monopolising access points.
>
> The proposed marine reserve would enhance tourism opportunities and if managed appropriately is consistent with the promotion of Great Barrier Island as an eco-tourism destination. However, this will require recognition that local economic development takes a significant time and is incremental.
>
> Both the Council and the Department will need to work together with the local community to facilitate and support the development of eco-tourism opportunities. The Department of Conservation, Auckland City Council and visitors to the island, will

---

[33] Great Barrier Marine Reserve Application, Objection by Auckland City Council, 1 October 2004. Letter to the Director General of Conservation from the Chief Executive of Auckland City (www.seafriends.org.nz)

need to support the local economy in simple ways such as by purchasing goods and services on the island, where practicable.

By working with the local community and encouraging it to have ownership, of the marine reserve, there are likely to be benefits to the Department which include providing assistance with the monitoring of activities within the reserve, and community promotion and education of the purpose and benefits of marine reserves."

3.6.3 Telecommunications capability

The 2001 Census reported that 19% of households on GBI had access to the internet, compared with 47.2 percent for Auckland City and 37.4 percent for all of New Zealand.

Most people in the south of the island if they have phone access also have internet access. There is only one area of the island with broadband access: about a 5km section of the area around Claris; the rest of the island make do with dial up. It is not known if wireless is a practical alternative for many people given terrain and weather will pose natural barriers. It is understood that Sky TV's digital satellite service is email enabled but not (as yet) internet. There has been a fairly steady uptake of this service over the past two years.

Holiday accommodation providers also noted that people finding and booking accommodation on the island through the internet and website searches had markedly increased over the last couple of years. Many locals now order their weekly shopping through the Woolworths website. This shopping is picked, packed and delivered to the ferry and charged for on top of the $10.00 per box freight charge.

Cellphone coverage on the island is patchy and makes it difficult for business owner-managers to be responsive to customer enquiries if they are away from the landline. This puts them at a disadvantage compared to mainland destinations where calls can be diverted.

With good telecommunications access there is scope for some types of professional services to operate from home or offices on the island and serve customers on the mainland. This would be a limited lifestyle option available to people whose work does not require regular commuting to the mainland (eg. review of written materials; website design and operation; personal advice etc).

3.6.4 Agriculture and horticulture

As most inputs to businesses on the island are sourced from the mainland a significant quantity of expenditure is lost from the economy which would otherwise support additional jobs and business activity on the island.

Local landowners could seek to provide substitute goods for those brought from the mainland such as perishable fruit and vegetables. It is understood that a 'farmers market' is one new venture at an early stage of development. This is likely to involve small volume ‘craft’ producers rather than commercial scale large land holdings in agriculture or horticulture.

There are conflicting views as to whether an efficient commercial scale of horticulture is feasible on the island. Business owners/operators who currently source produce from the mainland either believe that a commercial on-island supply would be unable to achieve the quantities of particular commodities required, or on the other hand, would produce too much and therefore need an ‘export’ market which in turn is hampered by transport costs. High land values will also make commercial food production not commercially in most parts of the island.

On a commercial basis, the rural land values on GBI are now too high to allow a reasonable rate of return for most agricultural or horticultural activities. Many established businesses, operating on an historical costs basis with low debt-equity ratios, can continue to generate profits suitable for a living income. But many new ventures cannot be expected to establish.

Small lot horticulture would be difficult given costs of production relative to market returns for produce. Mainland operations tend to be heading toward larger size production units to achieve profitability.

At a national level, research by REINZ shows that:

- during the calendar year 2005, the average price for lifestyle blocks increased by +20%, more than the average price increase for an urban residential home which increased +13%;
- over a two year period December 2003 – December 2005, the national average price increase for lifestyle blocks was +34% and in the Auckland Region, the price increase was +64%

Recent market sales for land show large blocks of 10-20 acres are going for around $45,000/acre. On the other hand, viable agricultural activities appear to be able to support land costs at the $10-20,000/acre level[34]. The cost of land now looks to be “too far gone” in terms of ever returning to affordable levels to justify large scale farming. Fuel costs are also a constraining factor given that agriculture and horticulture are energy-intensive and the island already pays premium rates for diesel.

It is noted that in the Matakana District several crop types have been experimented with in recent years (eg. kiwifruit, passionfruit, capsicums, melons, berries, grapes). Whilst some produce may be ‘exported’ to urban markets such small scale activities have a ready-made outlet in the form of the Matakana weekend market which draws visitors from the wider Auckland and North Auckland region.

There is less potential for viable small-scale horticulture on GBI but existing landowners may establish lifestyle block or hobby farm activities as long as profits are sufficient to provide a living income, perhaps in conjunction with other employment.

[34] 2004 Livestock Improvement Corporation data

It is unlikely that new entrants will seek to assemble sites for large-scale horticulture given current land values and costs of production.

This suggests that it is still appropriate to provide for small-scale productive use of land on GBI. Such properties would normally be expected to accommodate a home and maybe glasshouses and other structures. They will tend to require lots of 1-2ha but could be part of larger sites of 5-10ha depending on topography and the existing subdivision pattern[35].

Small production units would benefit local shops and services as well as generate demand for agriculture supplies and services, casual labour and maybe specialist contract services. They would mainly have to rely on market outlets through local shops and restaurants and possibly a future 'farmers market'. In the longer-term when existing owners wish to exit and sell their land, productive uses are just as likely to cease.

3.6.5 Rental housing

The availability of long-stay rental property has become a recent issue as houses have changed hands to be used as holiday homes and owners do not want to let them for long-terms. One young couple were said to have been running an advert 'to rent' in the local paper for several months to no avail, and did not end up shifting to the island.

Concerned locals are taking steps to provide rental housing including at least one individual buying properties to rent out, and others promoting a proposed rental housing trust.

3.6.6 Aquaculture

The certainty of continued availability of high water quality and the availability of areas sufficiently sheltered to allow conventional mussel farming operations to be practicable makes parts of the Great Barrier Island attractive prospects for marine farming.

A report to the ARC notes that a lack of processing infrastructure located on the Island could be addressed and local industry increased. Opportunities for local employment are scarce and increased marine farming could provide social and economic benefits. However, sheltered areas of quiet water are comparatively rare on the Island and expansion of the marine farming industry would be at the cost to other users including recreational and commercial boating, and to some extent potentially fishing, activities. In addition the cumulative effects of widespread expansion would be to the detriment of the area's natural character. It is recognised that small and isolated

[35] A survey of lifestyle blocks and smallholdings nationwide (ranging from 0.4ha-30ha), found that Small Farmers, Farmers,and Horticulturalist/growers had the largest landholdings around 10ha or more, while the Lifestylers and Hobby Farmers had smaller holdings around 5 – 6ha (MAF 2004).

operations could continue to operate probably with little effect upon other uses and values.

Looking ahead, the ARC assessment does not regard Great Barrier Island as a regionally appropriate area to consider for expansion of marine farming operations, and instead sees resource management objectives being directed more towards preservation or enhancement of the quality of natural resources of the coastal area, and to continued public access and enjoyment of these resources.

Similarly, Auckland City Council's Great Barrier Island Community Board members indicate a strong desire to make preservation of the 'wilderness experience' a key management objective for GBI. Preservation, protection or restoration of the natural and undeveloped nature of the coast is considered an important component in meeting this objective. The Board generally see recreational boating, and 'eco-tourism' opportunities as providing greater potential social and economic benefits for the Barrier than marine farming.

3.7 Options for Decreasing Risk from Over Reliance on Tourism

Most businesses on the island are geared towards tourism including accommodation providers, tour and transport companies, fishing and diving, cafes and restaurants. The seasonal nature of the business cycle on the island could be reduced by decreasing reliance on tourism which would also provide some resilience in the event of a downturn in tourism numbers (both local and international).

However there appear to be few opportunities to do this. Tourism will likely remain a key source of revenue for the island especially during the peak summer period of January through to April. The challenge for the island is to boost visitor numbers and spend during the off-season.

4 Reflection of Opportunities through Review of District Plan

4.1 Land subdivision and development

There are over 560 vacant sites on the island (classed as 'residential' or 'primary-idle'). It is not known how many are held by absentee owners with intentions to build a holiday home at some point in the future. In terms of sheer numbers it is projected that the island has adequate quantities of vacant lots to accommodate demand for residential and holiday home use for the foreseeable future.

Based on current subdivision controls a conservative estimate of development potential on the island is 728 lots. A more realistic amount, allowing for a reduction in the minimum lot size by protecting significant environmental features, is probably in the area of 1000 lots[36]. If each of those had a house with 3 inhabitants, then a capacity population figure of 3,000 might be achieved. This is a maximum theoretical estimate and is extremely unlikely given the declining resident population and shift toward periodic holiday home occupancy.

Various comments on the right approach to future subdivision on GBI have been made by the community. A Metro Magazine article reports Tony Bouzaid stating:

"If you are looking at it as a wilderness for tourism, you will lose if it you subdivide, so you really have to make a choice at some stage. Is this going to be a place for holiday homes, and forget about the environment and forget about what it means to employment? Fine….. But if you believe, as I do, that the future of the island is in eco-tourism, then it's the wrong way to go. There's plenty of land that's been subdivided at the bottom end of the island, and as far as I'm concerned that's the place to keep it."

Suggestions have also been put forward by residents for more subdivision as a means of increasing investment in the island. Drivers for this include holiday homes as well as low cost owner or rental housing, with it being claimed that smaller lot sizes are both more affordable and reflect market demand. Comments have been made that there should be no subdivision minimum standards and that lots need to be bigger than in urban areas but smaller than in rural areas.[37]

One of the functions of the District Plan is to encourage structural objectives for the future distribution and form of development on the island. Assuming current trends continue over the next 5-10 years, demand pressure for holiday homes will be stronger than for permanent residents homes. This will be met from a combination of sale of existing sites (vacant and developed) as well as subdivision development focussed near main beaches. Affordable housing generally implies small sites located away from premium priced areas.

[36] Auckland *City* pers comm. April 2006
[37] Notes from Great Barrier Focus Group (provided by ACC)

It is understood there are still many 800m2 sites in places such as Ocean View Rd. and Blind Bay. There are also many 'old' sites on the island that are difficult to access or build upon. In considering the options for responding to the demand for small sites or for rental housing the potential to achieve a realignment of legacy subdivision patterns should be addressed.

This could include provision for cluster housing where household services of power supply, sewerage and water could be provided from central facilities. An average density of around 1 dwelling per 3,000-4,000m2 would still seem appropriate rather than say 1 per 800m2, even if some lot sizes within a development may approach that end of the scale.

Whilst there are many large rural lots on the island there is not much flat land particularly suitable for horticulture. In any case high land values and transport costs will remain the major barrier to rural production and there appears to be little need to prioritise retention of large lots for primary production purposes. There is potential for growth in productive uses on suitable sites of 1 – 2ha but not to the extent that the planning regime needs to provide for an abundance of such sites scattered throughout the island, or anticipate major implications for roading or wharf infrastructure.

4.2 Proximity of similar activities

The options of locating commercial (retail and services) development include:

i. concentrating development in one area forming a retail centre
ii. allow a spread of facilities around the island

These options were faced by Southland District Council in a recent plan change for Stewart Island. Under the Stewart Island – Rakiura Guidelines for Development, retail is encouraged to develop in one are as this has the benefits of providing a village centre atmosphere where people are encouraged to congregate. The view being taken is that charm is limited when retail activities are scattered over the island, although a focused approach is seen as appropriate more for specialty and boutique retailers rather than main stream and basic service providers.

The planning approach expects that retail will encompass a combination of community and tourist oriented activities organised with local community activities to the front and tourism activities around the edge. Further information on Stewart Island is provided in Appendix 3.

On GBI, whilst residents are concentrated in the south of the island and most visitors arrive in that area by air or ferry, the north of the island attracts visitors for sightseeing and recreation activities. Many visitors also independently arrive in the north by private boat while others fly to Okiwi. GBI will likely continue to be a popular boating destination given its position in relation to Auckland, Coromandel and Tauranga.

The growth prospects for tourism justify commitment to sealing and upgrading the main spine of roads connecting the northern and southern portions of the island. It also implies ensuring provision in the District Plan for retail and accommodation facilities to be located in the north. The main commercial needs will be for fuel, refreshments, groceries, vehicle and recreation equipment hire, passenger transport and information.

Additional development at modest levels should therefore be anticipated in Okiwi or near the airfield, and in the vicinity of Port Fitzroy/Orama and possibly Kawa.

The prospect of the marine reserve will not necessarily generate demand for commercial services in the short-term but would be expected to support commercial accommodation, transport and retail services in vicinity of Okiwi and possibly Maybes Rd.

A reasonable spread of commercial activity around the island is compatible with providing for further development of Claris as the main centre on the island. It is appropriately positioned to accommodate a mix of community and commercial activities given its:

- proximity to the northern and southern village settlements
- association with the main airfield
- on-site access to broadband infrastructure

4.3 Other regulations

Suggestions arising from consultation with residents for how to reduce the cost of living or working include reviewing regulations applied to land and building development on the island so they are more relaxed than mainland standards (eg. specifications for vehicle crossings and accessways, earthworks, drains and removal of manuka/kanuka trees).

Given the increasing importance of air travel to Great Barrier Island, consideration also needs to be given to ensuring that both Claris and Okiwi airfields can operate effectively within the structure of the District Plan.

5 Conclusions

5.1 Outlook

No formal projections of the resident population have been used for this report, but on balance it is expected to decline slightly in the next five years due to ageing causing natural decrease as well as migration off the island from some families with children reaching secondary school age.

In one sense the island economy has low resilience but there are good indicators it will continue to experience growth in demand for services by holiday home owners and tourists, particularly given general population and household income growth in the greater Auckland Region. This will generate income for residents from food and accommodation, transport, events, sale of local arts and crafts, property maintenance, and recreation activities.

Business opportunities will be stimulated by major facilities such as the Outdoor Pursuits Centre at Orama and the proposed Marine Reserve on the east coast, and possibly land-based food production as a substitute for mainland sources. Commercial goods production other than for tourism or serving the local domestic market will still be faced with high costs of transporting goods off the island relative to suppliers on the mainland, and is not expected to become significant.

It will be appropriate to ensure commercial facilities are able to be developed in several locations around the island to serve a visitor population arriving at and travelling around both the northern and southern parts of the island.

5.2 Subdivision and land development

The Island population is undergoing a very rapid change, from a rural economy with long-term inhabitants, to a 'holiday homes/life-style block' character, based essentially on external wealth.

In terms of land supply it is anticipated that the island has adequate quantities of vacant lots to accommodate future residential and holiday home use to meet projected demand for the foreseeable future. There is demand however for smaller lots in suitable locations for holiday homes, rental housing and retiree housing.   It is recommended that as part of the District Plan review, the size distribution and location of vacant lots should be examined to confirm if there is a need to provide for significantly more small lots (<1ha) either with good access to village settlements or to east coast beaches.

Maintaining the low density character of island settlement is consistent with a low-impact economic development strategy centred on tourism. This suggests that densities of less than one dwelling per 3000-4000m2 should tend to be confined within the main village settlements; for most parts of the island small-lot subdivision will continue to be inappropriate given infrastructure, environmental and landscape amenity constraints. Though real estate agents report that there is demand for small sections (eg.800m2) and the volume of such sections coming onto the market is low.

Within a generally conservative approach to subdivision potential there may be options for designing subdivision and development controls to achieve a realignment of legacy subdivisions where there is a mismatch of current lot sizes or boundaries are unsuitable in relation to road access or topography.

Other options could also be considered as a way to manage subdivision activity and the same time allow landowners to release some equity to supplement their incomes:

- allow subdivision of one small lot of say 4000m2 on lots over 4ha subject to landscape and amenity controls (eg. Both lots to be accessed from a single accessway and buildings to be screened so as to maintain open space character). This would allow a finite number of houses to be built on separate sites (which could be sold or rented out).

- allow for a second dwelling to be built on all lots over a threshold size, but without subdivision. This would allow land-owners to provide for a retirement home on the same title and have an option to earn income from rental accommodation as well, whilst reducing pressure to subdivide land.

High land values and transport costs will remain a major barrier to primary production activity. At 2.5-3 times the viable land cost for agriculture the influence of the Auckland market (and to an extent international demand) for lifestyle blocks appears to rule out significant large-scale rural production. Horticulture offers one way of broadening the island economy by substituting for inputs currently sourced form the mainland. Whilst there are many large undeveloped lots on the island there is not much flat land particularly suitable for horticulture.

Small scale more intensive "cottage industry/family based" crops should continue to be provided for by ensuring small blocks of 1-2ha remain available in locations with easy contour. Existing land owners with low debt-equity levels are the most likely to undertake such activity but this will become less and less likely as land changes hands. A review of the size distribution and location of 'primary' lots should be undertaken as part of the review of subdivision policy for 'rural' land units. This could also address whether demand from existing owners to subdivide off smaller areas for living accommodation will have any significant effect on the availability of land for small-scale horticulture activities.

Appendix 1: Surveys of On-Island Residents & Off-Island Property Owners – Summary Results[38]

The Centre for Research, Evaluation and Social Assessment (CRESA) has been undertaking a programme of research (across NZ) called "Integrated planning and management of natural areas for tourism-related development." This work has been funded by the Foundation for Research, Science and Technology (FRST). As part of this research, CRESA worked with the GBI community to build a shared vision for future management and planning of the island and options for achieving it.

The surveys were undertaken to seek information from on-island residents and off-island property owners about: what they valued about Great Barrier Island, their views regarding changes on the island over the last five years, future development, and their vision for the island's future.

Although the surveys should not be perceived as a summary of on and off-island views, given that only 129 people responded (from 500, 26% response rate) to the on-island survey and 125 responded to the off-island survey (from 650, 19%), the views of these respondents usefully complement and reinforce other information collection processes.

Changes on GBI in Last Five Years

On-Island Residents

Respondents indicated they have a strong attachment to the island, recognise and value its special (and unique) community, cultural, natural, heritage and recreational features. Generally, they value the island's diverse natural environment above all else, particularly the coastline and native bush.

There is general agreement that some infrastructural development has been advantageous, and that further infrastructural and economic development is necessary to maintain and, possibly, increase the size of the local community. However, such development must be consistent with the scale and character of the local community and protect the island's unique environmental qualities. Development is appropriate as long as it enhances the island existing qualities. The following tables summarise the views of those surveyed.

Table 1: Most valuable features of Great Barrier Island (n=126) - On-Island Residents

Value	% of cases
The natural environment generally	87%
The undeveloped, unspoiled, non-commercial nature of the island	61%

[38] Centre for Research, Evaluation and Social Assessment (CRESA), "Analysis of Great Barrier Island On-Island Residents Questionnaire", Prepared by Julie Warren, February 2005; Centre for Research, Evaluation and Social Assessment (CRESA), "Analysis of Great Barrier Island Off-Island Property Owners Questionnaire", Prepared by Luke Procter, September 2004

Value	% of cases
The local community and friendly atmosphere	60%
Its remoteness and isolation	52%
The recreational opportunities	52%
The lack of people and peacefulness	45%
Other	29%

Table 2: Positive changes on Great Barrier Island in last 5 years (n=127) - On-Island Residents

Changes	% of cases
Roading improvements	79%
An increase in environmental awareness among residents	47%
DoC's proposed marine reserve	31%
Improvement to the island's services	29%
Improvement to the island's other infrastructure	28%
An increase in property development, sub-division and land prices	25%
An increase in visitor numbers	24%
Loss of population	17%
Involvement of Auckland Regional Council (ARC) and/or Auckland City Council (ACC) and/or DoC in the island's development	17%
Residents increasing openness to change	8%
I don't think there have been any positive changes	9%
Other	20%

Table 3: Negative changes on Great Barrier Island in last 5 years (n=127) - On-Island Residents

Changes	% of cases
Loss of population	61%
DoC's marine reserve proposal	49%
An increase in restrictions on activities	48%
An increase in road traffic	39%
An increase in property development, sub-division and land prices	35%
Deterioration in the island's services	33%
Involvement of Auckland Regional Council (ARC) and/or Auckland City Council (ACC) and/or DoC in the island's development	31%
An increase in pollution	26%
Deterioration in the island's infrastructure	22%
Residents resistance to change	17%
A loss of sense of community	15%
An increase in visitor numbers	14
Other	20%

One of the typical 'other' negative changes made by respondents included "No land available for special developments e.g. pensioner housing – to meet permanent residents needs (present and future)."

Off-Island Property Owners

As Table x shows, the most frequently identified positive change on the island (at 66%) was the improved infrastructure. Infrastructural improvements were mentioned twice as often as any other positive change.

A range of negative changes are listed in table x below. The most frequently identified negative change was the perceived deterioration of the island's infrastructure (31%). Around a quarter identified development and sub-division as a negative change.

Table 4: Most valuable features of Great Barrier Island (n=125) - Off-Island Property Owners

Value	% of cases
The natural environment	63%
Undeveloped/unspoiled/non-commercial	36%
Peaceful/solitude/lack of people	30%
Remoteness/isolation	30%
Community/friendliness	21%
Recreational opportunities	16%
Other	6%

Table 5: Positive changes on Great Barrier Island in last 5 years (n=122) - Off-Island Property Owners

Changes	% of cases
Improved infrastructure	66%
Improved services	31%
Increase in environmental awareness/sustainability	22%
DoC/ACC involvement	18%
No or little change	7%
Other	11%

Table 6: Negative changes on Great Barrier Island in last 5 years (n=115) - Off-Island Property Owners

Changes	% of cases
Deterioration of services and infrastructure	31%
Development, sub-division, land prices	24%
Increase in rules and restrictions, marine reserve	22%
Population decline, loss of community	17%
More visitors, pollution, pests	16%
Increased traffic, speeding	13%

Changes	% of cases
Resistance to change	5%
Other	18%

Views about Future Development

Respondents were asked a series of questions about future development on the island: whether there are areas of the island that should be off-limits; whether there are areas that should be open to development; what types of development would be appropriate or inappropriate; and the types of tourism development that are appropriate and not appropriate for the island.

Areas Off-limits to Development

On-Island Residents

When asked whether some areas on GBI should be off-limits to development, around four out of five of those who responded (83%) answered in the affirmative. The diversity and range of places they identified as off-limits is consistent with their generally high regard for the island's natural beauty and unique character. The areas identified as 'off-limits' ranged from the general, such as "the whole island", to the more defined, like "DoC land between Whangaparapara and Fitzroy", through to specific locations that were special to them such as "Tapu sites".

Although there was a wide range of places identified as off-limits, there were some common themes. In general, respondents were keen to protect or preserve the undeveloped areas of the island (including existing farmland and large tracks of private land), land under Department of Conservation administration (including land in close proximity), beaches and headlands, skylines, native bush and mountain areas, and the island's wetlands, waterways and catchments areas.

Off-Island Property Owners

When asked whether some areas on GBI should be off-limits to development, almost all (94%) respondents answered in the affirmative. While there was a wide range of areas identified as being off-limits, generally respondents seemed particularly keen to preserve: the undeveloped areas of the island, land under DoC administration, the beaches and headlands (particularly on the east coast), the native bush and mountains area, and the island's wetlands, waterways and catchments areas.

Areas Open to Development

On-Island Residents

While most respondents considered particular areas of the island as off-limits, that did not mean they rejected development out of hand. On the contrary, 85% of those who responded to this question identified areas that should be open to development. The range of areas open to development, however, was narrower in range than that they considered off-limits.

Generally, respondents believed that future development should be restricted to, and concentrated in, the existing developed areas on the island such as Claris, Tryphena, Medlands and Port Fitzroy. However, some respondents also identified some beaches, non-productive farm land, private land, land prone to erosion and even some DoC land as potential areas for development.

Off-Island Property Owners

Generally, (as with the on-island residents above) respondents believed that future development should be restricted to, and concentrated in, the existing developed areas on the island such as Claris, Tryphena, Medlands and Port Fitzroy. Some other commonly identified areas identified as open for development included: between Port Fitzroy and Whangaparapara, Kaitoke Beach, Whangapoua camp ground, and areas south of Hirakimata.

Types of Development

On-Island Residents

In specifying the types of development they considered appropriate for the Island, respondents showed some ambivalence. Their comments showed some wariness about development at the same time as acknowledging it is probably essential to the island's future. Overall, any type of development that fitted the existing scale and character of the island was deemed appropriate. Thus, if it enabled the community to maintain things most valued, such as the natural environment and unique character of the island, it would be acceptable. If it undermined or took these things away, it would be generally rejected.

Respondents also indicated that there was room for infrastructural development that assisted settlements such as roading, a secondary school, wind farms, airstrips, and pensioner housing.

Development that would contribute to small scale economic growth was also supported by some respondents. Small scale retail, commercial, industrial, property development (including subdivision and apartments) and some primary production (quarry, dairy, meat and fish processing) was seen to be appropriate development if it encouraged economic growth on the island. Ecotourism was also frequently identified as appropriate development.

Conversely, anything out of character and on a large scale, such as high-rise apartments or hotels and high-density dwellings, was generally seen as inappropriate. Any type of development that threatened the natural environment, especially sub-division on or near the beach and foreshore, was deemed inappropriate by many respondents. A small number of respondents identified the proposed DoC marine reserve as a type of development that was inappropriate.

Off-Island Property Owners

Generally, they were sceptical about development; although they also pointed out that it depended on the type of development. Any type of development on the island would have to maintain and value the things the respondents valued the most, such as the natural environment and unique character of the island. Anything that undermined or took these things away was generally rejected.

Overall, any type of development that fitted the existing scale and character of the island was deemed appropriate, for example walking tracks and huts. They also indicated that there was room for infrastructural development that assisted the settlements such as roading and wind farms. Small scale retail and commercial development that would contribute to small scale economic growth was also generally supported by respondents. Some respondents also identified the development of the marine reserve or a national park as appropriate because it has the potential to enhance the natural environment. Eco-tourism was also a frequently identified type of appropriate development.

Conversely, anything out of character and on a large scale, such as high-rise apartments or hotels and high-density dwellings, was seen as inappropriate. Any type of development that threatened the natural environment, such as development on or near the beach and mussel farming, was also deemed inappropriate. However, some identified the DOC marine reserve as a type of development that was inappropriate due to its restrictive nature.

Appropriate Tourism Development

On-Island Residents

Almost all of those (95%) who responded to this question indicated that tourism development was appropriate for GBI. As is to be expected, the types of tourism development identified tended to reflect the importance respondents placed on the natural environment, isolated location and unique low key character of the island. Options are shown in Table xxx.

The most frequent type of tourism development, identified by 83% of respondents, was outdoor (e.g. camping and tramping), closely followed by small scale accommodation (82%) and eco-tourism (77%). A small percentage (16%) wanted large scale accommodation.

Table 7: Type of tourism development appropriate for Great Barrier Island (n=123) - On-Island Residents

Tourism Development	% of cases
Outdoor (e.g. camping, tramping)	83%
Small scale accommodation	82%
Eco-tourism	77%
Marine related activities	74%
Low key, low impact	73%
Adventure	65%
Large scale accommodation	16%
Other	24%

The most frequent type of tourism development, identified by 83% of respondents, was outdoor (e.g. camping and tramping), closely followed by small scale accommodation (82%) and eco-tourism (77%). A small percentage (16%) wanted large scale accommodation.

Off-Island Property Owners

Almost all respondents (92%) indicated that they believed tourism development to be appropriate for GBI. The most frequent type of tourism development, identified by 47% of respondents, was eco-tourism. This was followed by tramping, camping and outdoor based tourism development, identified by 32%. Some typical comments included:

- Eco-tourism, walking circuit with suitable huts. Small scale independent tourism – not large scale, resort-style development
- Carefully managed eco-tourism
- Avoid mass tourism and high end stuff – attract those who will enjoy it "as is"
- Locally-owned and run small scale, small numbers.. focusing on wildlife and natural environment.

Table 8: Type of tourism development appropriate for Great Barrier Island (n=113) - Off-Island Property Owners

Tourism Development	% of cases
Eco-tourism	47%
Tramping, camping, outdoor	32%
Low key, low impact, small scale	27%
Accommodation	18%
Sea based	8%
Other	24%

Inappropriate Tourism Development

On-Island Residents

Respondents were asked whether some types of tourism development would be inappropriate for the island. Most respondents (89%) answered in the affirmative and the types of tourism seen as inappropriate echoed comments around development in general. So, they rejected tourism development such as resorts, large scale accommodation, Club-Med style development, and high volume, high impact tourism that affected the natural environment. They also rejected development like fast-food restaurants, casinos, motor sport activities, adventure activities and rock concerts.

Vision for the Future

On-Island Residents

Respondents' vision for the island's future reflects a strong desire to maintain the natural, cultural and community features that they value. Table 9 shows that 69% want to preserve the community character; 67% have a vision of sustainable and planned development, developing the island as a valued tourism destination (62%); and 44% would like an increase in population.

Table 9: Overall vision for the future for Great Barrier Island (n=128) - On-Island Residents

Future Vision	% of cases
Preserve community character	69%
Sustainable, planned development	67%
The development of the island as a valued tourism destination	62%
A restored and pest free natural environment	60%
Improved infrastructure and services	56%
Economic development and job opportunities	50%
The availability of a range of recreational opportunities	48%
Increase in population	44%
Other	23%

Some typical 'other' aspects included:

- Definitely faster ferries! And bigger planes perhaps.
- Perhaps have reticulated power/wind farm(s).
- Anything that will give work for those who live here and those to come.

Respondents' views about future planning and management of the island reflect a widely held view that the local community should have control of its future. While most see some place for central and local government agencies, there is general agreement that planning and management should be in the hands of local people.

Off-Island Property Owners

Fifty percent visualised a restored and clean natural environment as a desirable future for the island. Forty-two percent indicated a need for sustainable and planned development while 31% stressed the importance of preserving the island's character.

Table 10: Overall vision for the future for Great Barrier Island (n=116) - Off-Island Property Owners

Future Vision	% of cases
A restored, clean natural environment	50%
Sustainable planned development	42%
Island kept as it is	31%
Improved infrastructure, services and job opportunities	30%
Tourism destination	29%
Increase in population	10%
Increased recreational opportunities	8%
Other	5%

Some typical comments included:

- Resident population of 3,000 or so people, with a high school on the island so families do not leave when their kids grow up. Concentrated growth in specific towns on the island, and limited further subdivision in other areas of privately owned land. Sealed roads throughout the island. A thriving eco-tourism industry, which could include one larger eco-friendly resort. Boutique horticultural activity – wine, olives, etc. Some aquaculture development, but not in every bay.

By far, the most frequently identified participants in the island's future planning (at 78%) were residents, ratepayers and local groups. The second most frequently identified participants (63%) were agencies such as ARC, ACC, Doc and Tourism Auckland. 22% identified environmental groups such as Great Barrier Island Trust and Forest and Bird.

Appendix 2: GBI Economy - Summary

The following is a summary of commercial operations on Great Barrier Island, based on the following websites: www.greatbarrier.co.nz; www.aucklandnz.com (Tourism Auckland); www.greatbarriernz.com.

Accommodation Providers:

<table>
<tr><th>Type</th><th>Number</th><th>Details</th></tr>
<tr><td>Luxury Lodge</td><td>5</td><td>Barrier Oasis, Earthsong Lodge, Flax House, Foromor Lodge, Mount St Paul Lodge</td></tr>
<tr><td>Lodges</td><td>7</td><td>Great Barrier Lodge, Pigeons Lodge, Pohutakawa Lodge, Shoal Bay Lodge Stray Possum, Sunset Waterfront Lodge, The Jetty, Tipi and Bob's Waterfront</td></tr>
<tr><td>Cottages</td><td></td><td>Northern: Port Fitzroy, Port Abercrombie, Karaka, Okiwi, Whangapoua:
Abercrombie Beach House, Fitzroy House, High Tide, Kaiaraara Bay Chalet, Okiwi Palms, Orama, The Jetty, Whangapoua Views
Central: Whangaparapara, Kaitoke, Okupu:
Allom Bay Cabin, Awana Beach House, Bay Lodge, Cran Cottage, Great Barrier Lodge, Kahurangi Cottage, Matai Cottage, Mt St Paul, Sea Chalet, Taumata Retreat
Medlands:
Medlands Barn House, Beach House, Foromor Chalet, Lockwood House, Medlands Bach, Medland Haven, The Tui Cottage, Twin Pines Cottage, Pukeko Cottage
Southern: Puriri Bay, Tryphena Valley, Mulberry Grove, Gooseberry Flat, Pa Beach, Shoal Bay:
Barrier Oasis, Bernie and Mels, Gibbs Landing Unit, Harbour View, Hildes Haven, Huck Finn Houseboat, Jasmine Cottage, Macadamia Chalets, Manuka Lodge, Mara Point Cottage, Monz Bush Bach, Runaway Lodge, Seaside, Shoal Bay Lodge, Stray Possum, Sunset Waterfront Lodge, Taraire Cottage, The Boathouse, The Gallery, The Green Retreat, The Tree House, Tipi & Bob's Waterfront, Yardmasters House</td></tr>
<tr><td>Luxury House</td><td>1</td><td>Awana House</td></tr>
<tr><td>Homestay</td><td>2</td><td>Foromor Lodge, Flax House</td></tr>
<tr><td>Backpackers</td><td>6</td><td>Crossroads, Medlands Backpackers, Monz Bush Bach, Pohutakawa Lodge, Runaway Lodge, Stray Possum</td></tr>
<tr><td>Camping</td><td>5</td><td>DoC, GBI Campground, Mickey's Place Orama, Stray Possum</td></tr>
</table>

Other Commercial Operations (other than Accommodation Providers)

Type of Operation	Number	Company/Organisation
Restaurants		**Tryphena:** ▪ Barrier Oasis, Barrier Social Club, Cruisy Cafe - Stonewall Complex, Currach Irish Pub, Earthsong Lodge, Island Indulgence, Mulberry Grove Café & Takeaway, , http://www.pigeonslodge.co.nz/Stray Possum, Tipi & Bobs Waterfront Lodge **Claris:** ▪ Claris Texas Café, Golf Club, Angsana Thai, Dana's Diner, GBI Sports and Social Club, Mount Saint Paul Lodge, Great Barrier Lodge **Port Fitzroy:** ▪ Port Fitzroy Boating Club, Port FitzRoy Hamburger Bar
Shops		**Tryphena:** ▪ Cruisy Café, Outpost - Gift shop, Shoal Bay Pottery, Stonewall Store, Mulberry Grove Store and Cafe **Claris:** ▪ Claris Store, The Rocks Bottle Shop, Claris Texas Café, Pigeon Post, Great Barrier Pharmacy, Hooked on Barrier - Fishing and Dive Shop, Paradise Cycles **Port Fitzroy:** ▪ Port Fitzroy Store
Local Craftsperson's	13	Artists: Mal Bouzaid, Fenella Christian, Peter Edmonds, Joan Fergus, Flax House, Vivian Keenan, Nikki Wimsett Sculptor-Potter: Cuan Forsyth-King Artist-Photographer: Doreen Scott Pottery: Barbara Scott-McGrath; Shoal Bay Pottery Photography: Di (Miller) Simpson Sculptor: Keith Simpson
Air Travel	1	Great Barrier Airlines
Bicycle hire/repair shops	4	**Claris:** Paradise Cycles, Great Barrier Hire **Tryphena**: Aotea Buses **Whangaparapara:** Great Barrier Lodge
Builders	8	Aotea Construction, Andy Barrott, Greg Broadbelt, Peter Edmonds, Stu Griffiths, Shane Heney, Johnny Scott, John Sutton
Builders' Supplies	3	Aotea Wholesale Supplies, Barrier Building Supplies, habitat design

Type of Operation	Number	Company/Organisation
Cabinet & Furniture Makers	2	Peter Edmonds, Jim Sharp
Car Repairs	2	Claris Motors, Rustys Panels
Dive Equipment	5	Port Fitzroy Dive Station, Mobile Dive Fills, Hooked on Barrier, Runaway Dive Centre, Tryphena Charters
Kayak Tours	5	Aotea Kayaks. FitzRoy Kayak Hire, GBI Adventure Rentals, Hooked on Barrier, Kaitoke River Kayaks
Fishing & Sightseeing Tours / Water Taxi / Boat Hire	13	Hooked on Barrier, Reef Runner, Tryphena Charters, Alan Phelps, Foromor, Marine Rescue, Riviera Charters; Seasprite Charters, Puriri Bay Fishing Charters, Surf Casting Safaris, Vitamin C, Port FitzRoy Harbour Tours, GBI Adventure Rentals
Freight Carriers	5	AB Deliveries, Barrier Building Supplies, Subritzky, JC Blackwell Carriers, Great Barrier Cartage
Concrete Services	4	Barrier Concrete Products, Barrier Onsite Concrete, John Sutton, Great Barrier Building Co
Contractors	11	Barrier Earthmovers, Barrier Excavators, Coles Equipment, Tom Daly, Johnny Frieswijk, GOF Roading, Gulf Milling, Great Barrier Cartage, Roger Guthrie Contractors, John Sutton, Great Barrier Building Co
Drainlaying	3	John Frieswijk, Great Barrier Plumbing and Drainage, Sean O'Shea
Electricians	2	Igor Electrical, Bruce Strickett
Engineering	3	AJ Laven, BK Engineering, N Somerville
Fencing Services	2	JC Blackwell, Keith Briars
Fruit/Vegetable/Tree/ Plant Growers	5	Frost Orchids, Langsett Nurseries, Nagle Cove Nurseries, Okiwi-Babaco Fruit Co Ltd, John Sutton
Gas Supplies	4	Barrier Building Supplies, Barrier Services, Gas Link, Port Fitzroy Store
Gas Fitters	2	Great Barrier Plumbing and Drainage, TK Plumbing
Hairdressers	1	Waves
Health and Fitness	2	Body Toning – Karin Thurig, Yoga – Linda Power
Hire Equipment	3	Great Barrier Hire, Barrier Building Supplies, Mobile Dive Fills
Horse Riding	3	GBI Horse Treks (Medlands Beach); Karaka Bay Horse Treks (Port FitzRoy)
Local Products	5	Barrier Gold, natural Kanuka products - Sven Stellin, Honey - Rose Williams, David Watson, Macadamia Nuts – P & H Speck, Geoffs Chilli Sauces
Key Cutting	1	Greg Cook
Lawn Mowing	5	Great Barrier Hire, JC Blackwell, Lawn Ranger, Barry Mouat, Paul Medland
Marriage Celebrants	3	Jill Dobson, Ivan Howie , Bob Whitmore
Museums	4	Sue and Alan Gray – Awana; Young Museum – Okupu; Medlands Museum; Milk, Honey & Grain Museum, Claris

Type of Operation	Number	Company/Organisation
Music Tuition	2	Classical Guitar – Lianne Billingham; Guitar - Jim Crawford
Pest Control	1	Barrier Bug Busters
Petrol/Diesel Suppliers	4	LTR Fuel, Mulberry Grove (Tryphena), North Barrier Fuel (Port FitzRoy), Whangaparapara Fuels
Printing/Newspapers	1	Barrier Bulletin
Real Estate	6	Bayleys; John Cran Realty; Ray White Realty; Century 21; First National; United Realty
Rubbish Removal	1	Great Barrier Cartage
Sawmilling	2	Gulf Milling, Kaitoke Sawmill
Stonemason	2	Fraser Munroe, Wayne McVicar
Storage	1	Outback Storage
Transport (on GBI) / Tours	13	Barrier Tour Company, Great Barrier Buses, Aotea Rental Cars, Better Bargain Rentals, GBI Rentals, Kaka Tours and Transfers - Joe Joynes, Medlands Rentals, Sanderson Transport, Sunflower Buses, Discover Great Barrier – guided walks, Tryphena shuttles, GBI Shuttle and Transfer service, Mike Newman
Veterinary Services	1	Anne Kernohan
Winery	1	John Mellars
Web design and Hosting Services	2	Jacqui's Web Design and Hosting Services; Kay Stowell

Service Providers

Type of Operation	Number	Company/Organisation
Police	1	Police Station
GBI Visitor Information Centre	1	Great Barrier Island Visitor Information Centre, Claris Postal Centre
Auckland City	1	Auckland City Council Area Office, Claris
Health	1 3 1 1 1	Dentist - Barrier Dental, Neil Wright; Nurses – Leonie Howie, Adelle Robertson, Peter Sporle; Optometrist; Osteopath – Charlie Rodrigues, Physiotherapist – Rod Holihan
Schools	4	Kaitoke School, Mulberry Grove School, Okiwi School, Aotea Playcentre
Sports, Recreation and Social Clubs	13	Aotea Little Theatre, Arts and Crafts, Barrier Social Club, Golf Club, GBI Sports and Social Club, Gym, Indoor Bowls, North Barrier Quilting Club, Port Fitzroy Boating Club, Tryphena Tennis Club, West Barrier Cricket Club, Yoga, Youth Group

Appendix 3: Comparison to Other Isolated Rural Locations in New Zealand

Some background on Stewart Island (as another off-shore settlement in New Zealand) is included here for comparative purposes.

Stewart Island has a much smaller resident population (384 in 2001) and a smaller number of visitors (32,000 in 2002) compared to GBI. The two greatest concerns of residents are uncontrolled growth and island infrastructure being unable to cope with expected growth.

The following briefly outlines the scope of recent changes proposed to the District Plan:[39]

- Reference to Stewart Island or Oban Urban Resource Area alters to Stewart Island/Rakiura Urban Resource Area
- New Issues, Objectives and Policies for the Stewart Island/Rakiura Urban Resource Area, to ensure they are relevant to current issues and meet the requirements of the Resource Management Act 1991.
- Residential Activities remain as a permitted activity subject to complying with the set of performance standards outlined under Rule SI.4 (bulk and location, height, indigenous vegetation removal, earthworks, on-site parking, multi-unit developments, signage and noise)
- Non-residential Activities remain automatically requiring resource consent, but shall be considered as a discretionary activity as opposed to a controlled activity, as exists at present. Discretionary activity status will provide Council with the ability to either grant or decline consent, should it be determined the development is inappropriate. Controlled activity status at present requires that Council must grant consent. The matters to be considered when assessing an application under this rule are clearly identified, including the degree of compliance with the relevant performance standards, which will assist in determining the effects of a proposal.
- Impose a minimum allotment size of 800 m2 for subdivision in the Urban Resource Area to protect the Stewart Island/Rakiura Urban Resource Area from further infill development.
- Expansion of Stewart Island/Rakiura Urban Resource Area boundary.
- Create a separate Industrial Resource Area on the Island to provide a suitable area for new industrial land uses on the Island to establish. Amend the provisions of Rule IND.3 and IND.4 to provide specific provisions particular to the Stewart Island environment with respect to signage, building height, earthworks and retention of a native vegetation buffer.
- Amendments to Schedule 6.1 of the District Plan for Designations and Requirements that have been requested by Southland District Council, as a Requiring Authority.
- The Performance Standards:
    - Bulk and Location - yard requirements which differ for residential and nonresidential activities

[39] Proposed Plan Change Number 2, Explanatory Statement and Section 32 Analysis; Stewart Island-Rakiura Guidelines for Development February 2003 (www.southlanddc.govt.nz)

- Height - separate provisions for flat and sloping sections, focusing on maximum height limitations.
- Multi-unit residential developments, Hours of Operation (Non-residential activities only), Outdoor Storage, Noise and Servicing and Financial Contributions - all reflect the requirements in the district-wide Urban Resource Area section.
- Removal of Indigenous Vegetation - limits the amount of vegetation removal permitted per Certificate of Title, with the intention of retaining a certain amount of indigenous vegetation within the township, which attributes significantly to the character of the area.
- Earthworks - limitations are imposed on the amount, depth of fill and cut, distance of work from site boundaries and waterways with the intention of preventing stability, run-off and visual impact problems in this area.
- Signs - the type of signs permitted and prohibited are clearly specified. The types of signs permitted are designed to ensure signage still provides the function of providing information and identifying sites, while not visibly and adversely intruding on the Stewart Island/Rakiura landscape.
- Parking - the district-wide requirements for parking, access and unloading apply. Where a waiver is requested from the parking requirements a clear indication of the matters to be considered when processing a resource consent specific to this issue are provided.
- Guidelines for Non-Residential Buildings - the guidelines relating to siting of buildings and structures, materials, colour and design features will be taken into account by Council when assessing resource consents for new buildings or additions to existing buildings.

In 2005, the Government provided a $5.6 million funding package to assist with the upgrading of infrastructure on Stewart Island following the establishment of Rakiura National Park in 2002. The costs of infrastructure are high because machinery, materials and labour all need to be shipped to the island. The funding recognised these problems.

It was suggested by a resident on GBI that diesel fuel is subsidised for residents on Stewert Island through support for the fishing industry but this has not been able to be verified.

References

Auckland City, "Caring for one of Auckland's greatest treasures", Hauraki Gulf Islands Strategic Plan, www.aucklandcity.govt.nz

Auckland City, www.aucklandcity.govt.nz, information on Great Barrier Island including 'Great Barrier Island Overview and Strategy', February 2003.

Auckland Regional Council (ARC), State of the Auckland Region Report 2004

ARC Report to Environmental Management Committee, 13 February 2006

Auckland Regional Council, "Mapping Potential Aquaculture Management Areas in the Auckland Region – Stage 2" 2006

Centre for Research, Evaluation and Social Assessment (CRESA), "Great Barrier Island: A case for a participative approach to integrated destination management", Prepared by Julie Warren (undated).

Centre for Research, Evaluation and Social Assessment (CRESA), "Analysis of Great Barrier Island On-Island Residents Questionnaire", Prepared by Julie Warren, February 2005

Centre for Research, Evaluation and Social Assessment (CRESA), "Analysis of Great Barrier Island Off-Island Property Owners Questionnaire", Prepared by Luke Procter, September 2004

Centre for Research, Evaluation and Social Assessment (CRESA), "Great Barrier Island: A case for a participative approach to integrated destination management", Prepared by Julie Warren (undated)

Department of Conservation, www.doc.govt.nz

Great Barrier Island websites – www.thebarrier.net; www.greatbarrierislandnz.com; www.greatbarrierisland.info; www.greatbarrier.co.nz

Howie, L. and Robertson, A., "Great Barrier Island Community Profile 2002"

MAF "Study of Smallholdings and their Owners" Information Paper No. 53, December 2004

Metro Magazine, "The Last Frontier", May 2003 (www.greatbarrierislandnz.com)

Statistics NZ, Great Barrier Island Community Profile, 2001 Census of Population and Dwellings

Tourism Auckland, www.aucklandnz.com

Tourism Auckland, June 2003 A Preliminary Assessment of the Visitor Potential of Motutapu Island, For the Motutapu Island Restoration Trust

Southland District Council, Proposed Plan Change Number 2, Explanatory Statement and Section 32 Analysis

Southland District Council, Stewart Island-Rakiura Guidelines for Development February 2003 (www.southlanddc.govt.nz)