

9 September 2022

Department of Conservation
PO Box 10420
Wellington 6143

Attention Joe Ellingham
By Email: jellingham@doc.govt.nz

Kia ora

Feedback on DOC Hut Price Review 2022

Tourism Industry Aotearoa (TIA) welcomes the opportunity to comment on the DOC's hut price review 2022.

TIA is the peak body for the tourism industry in New Zealand. With approximately 1200 members TIA represents a range of tourism-related activities including accommodation, adventure & other activities, attractions, retail, airports & airlines, transport, hospitality as well as related tourism services.

In principle, TIA supports the hut price review as DOC hut prices (excluding non-Great Walks) have not been changed since 2008 and we appreciate that the income received is important for DOC's ability to maintain and improve the facilities that it provides.

As the peak association that represents all sectors of New Zealand's large and diverse tourism industry, TIA has a wide range of interactions with DOC across the tourism and conservation interface, including concessions, fee and charge levels, and how tourism contributes to conservation.

With respect to DOC's track and hut network, our interest lies mostly with the Great Walk facilities, and less so for the wider hut and track network. As we discussed, organisations such as Recreation Aotearoa and Federated Mountain Clubs of New Zealand will be better placed to comment on this non-Great Walk huts price review.

We are also interested in the interface between the hut networks and the tourism systems that support this activity - transportation, pre- and post-visit accommodation, activity providers, and many more. Often the tracks and their hut are the catalyst for the travel that has many touch-points with both communities and a wide range of commercial providers.

Following are some observations on the specific consultation questions.

Do you think pricing at private huts are a relevant input to DOC hut pricing? Please explain why or why not.

An increase of around 100% via benchmarking with comparable non-DOC hut prices as suggested provides a possible approach to pricing. The question we would have is around the actual comparability of the privately-held huts – are they like-for-like? We also note a CPI adjustment over this period would have around a 30% movement. Although relatively small in terms of dollar amount, this adjustment could have some implications in terms of hut usage and occupancy. We note the recent review of DOC campsite changes indicates there may be no major concern in this regard. We support monitoring procedures being put in place to understand potential implications.

Do you think weekend pricing should be considered for DOC huts? If so, which huts and when would it be appropriate? If not, please explain why.

TIA supports initiatives such as weekend pricing and seasonal pricing which could have a positive role in terms of managing demand levels. We note that the implementation of weekend pricing from July 2021 for selected popular huts showed a minimal demand shift. There could be potential to test this further if a larger price differential between weekdays and weekends was trialled.

Do you think the current payment method, controls, and tools (e.g., physical tickets) are adequate? If not, what improvements should DOC consider to improve hut fee payment compliance and cost recovery?

The current payment method, which is often voluntarily-based using a high-trust model, could be problematic as prices increase. A gradual shift toward more reliable systems such as online booking and payment is recommended. We understand that DOC has already established an online booking and payment system for the Great Walks and we wonder if it would be possible to implement such a system for other huts, and particularly for the layer just below the Great Walks level.

Further feedback or suggestions.

On a final note, we wonder if there is a case to elevate some of the 'next tier' huts as an alternative to the Great Walks that are often heavily booked out. This level could have better facilities, hut wardens, booking systems and the like, and thereby a premium usage charge.

Please do not hesitate to contact us if you have any queries about our feedback and we would like to continue to like to be involved in this process.

Ngā mihi,

A handwritten signature in black ink, appearing to read 'B. Bassett'.

Bruce Bassett
Strategy and Policy Manager