Milford Sound Transport
Issues and Options
Report
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Executive Summary

Venture Southland has contracted GHD to investigate and prepare the Southland Integrated Transport Study. Recent studies confirm that in the future, existing transportation networks in the Southland region will be a major barrier to regional and national economic growth. The ability to sustain and expand existing industry and attract new industry to the region is dependant on reliable and effective transportation networks.

The purpose of the study is to identify an appropriate Integrated Regional Transportation Network. The study aims to examine the major transportation issues identified by stakeholders, the extent of challenges facing owners of the transportation infrastructure and provide recommendations as to what actions need to be undertaken.

Part of the study involves a close evaluation of the current situation surrounding State Highway 94 (SH94), the Milford Road.

The Highway is of significance to this study as:

- It provides the only road access corridor to Milford Sound in the Fiordland National Park;
- The road itself provides an undoubted iconic tourist experience and attracts high numbers of tourism traffic, comprised of tour buses, campervans and private vehicles; and
- The beauty of the Milford Road itself is considered a major part of the Milford Sound experience, and needs to be maintained to a high standard of safety.

Issues associated with the Milford Road corridor include:

- Congestion from tourist traffic, especially at viewing platforms;
- Safety, especially during the winter months and at the Homer Tunnel;
- Lack of driver awareness of difficult road conditions; and
- Conflicts between vehicles, particularly buses and light traffic.

The following options have been suggested to mitigate the above issues:

- Sky trail Milford – Gondola
- One-way Greenstone Valley Road
- Fiordland Link Experience – The Monorail
- Haast – Hollyford road
- Shuttle service on existing road – “Park and Ride”
- Upgrade of Milford Sound airport to allow larger aircraft
- Booking System Milford Road Corridor
- Upgrade State Highway 94
- Status Quo

These options have been evaluated against certain criteria to determine their feasibility, suitability and acceptability. The Department of Conservation Draft Fiordland National Park Management Plan also
outlines a series of criteria, working closely with Transit NZ, to which various proposals regarding access to the Fiordland National Park would be evaluated. There are also a number of possible funding options surrounding these proposals.

Of the various proposals the commercial operatives of a Gondola and Monorail will proceed or not due to normal commercial and consenting approval processes. It is the view of the majority of those consulted that the proposed link roads are unlikely to proceed due to a failure to gain funding and consenting approvals. The upgrade of the highway and airport will proceed as demand and funding allows. The Park and Ride and Booking System are considered viable options.

It appears that a progressive move to control of traffic flows will occur over time perhaps initially with a Booking System followed by a formal Park and Ride or Transit system. These options would still require the proposed highway upgrades to provide a reduced traffic safety risk.
1. Introduction

1.1 Objectives

The objectives of this report are:

- Assess the Milford Sound Transport Options
- Identify options that meet the objectives of Venture Southland:
  - Ensuring safety on the Milford Road
  - Preserving the amenity values on the Milford Road
  - Generating tourism in the rest of Southland

1.2 Background

When visiting a national park, people spend plenty of time just outside the park, —eating, sleeping, parking, shopping, sightseeing— in the town or region that geographers call the ‘gateway’. A park and its gateway are really a single destination, with similar history, scenery, and climate. The way park and gateway interact can make all the difference in the quality of tourist visits and in the sustainability of the destination\(^1\). The townships of Manapouri and Te Anau are the gateways to Fiordland National park. The lakefront of Te Anau is a significant amenity for Te Anau, providing an attractive setting for the ‘Gateway to Fiordland’. The water edge generally forms an administrative boundary for activities on the lakefront. National park status applies to the waters and bed of Lake Te Anau. The lakeshore is partly legal road and partly recreation reserve, both administered by Southland District Council.

The gateway concept has further significance as it provides a means by which visitor flow in and out of the Park can be monitored and managed. This capability is becoming increasingly more important as annual Milford Sound visitor numbers continue to rise toward the road carrying capacity, thus threatening to compromise visitor experience and environmental sustainability.

Milford Road is the only road access corridor to Milford Sound in the Fiordland National Park. As an undoubted iconic tourist destination, Milford Sound attracts high numbers of tourism traffic travelling along the ‘no-exit’ Milford Road, comprised of tour buses, campervans and private vehicles. It is of note that 54% of tourists visiting the South Island during summer travel along the Milford Road.\(^2\) This number is considerably lower in winter when the road is closed from time to time due to snow and avalanche hazards.

On average 800 vehicles presently travel along this route per day, 25% of which are buses. At peak times during the day, the high quantity and combination of vehicles generates congestion at parking areas and certain sections along the Milford Road. Approximately 450,000 tourists travelled the Milford Road in 2002\(^3\).

Those tourists travelling by bus usually come by day from Queenstown, leaving early morning and returning in the evening, a 12-hour trip. Because of the distance most buses and vehicles end up

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\(^1\) National Geographic, July/August 2005
\(^2\) Tourist Road Safety in Otago and Southland
\(^3\) Fiordland National Park Milford Road Transportation Study (Draft), Barnett Consulting (March 2004)
travelling along the Milford Road at the same time, between 10am and 4pm, causing major congestion issues.

The following points from a MWH study⁴ are relevant:

- Of total visitors to Milford Sound, 50-57% travel by coach, 30-35% by car and 10-20% by campervan, van or motorcycle. 10% of visitors stay overnight.

- Visitor expenditure in Fiordland was $92 million in 2003 ($276 million for rest of Southland).

- 1017 people are employed fulltime in Fiordland’s tourism industry. (An additional 1900 people are employed indirectly in both Southland and Fiordland in support services to the tourism industry).

- A substantial proportion of annual visitation to Milford originates from and is controlled by the Queenstown tourism industry.

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⁴ Haast Hollyford Highway – MWH Preliminary Scoping Study March 2005
2. Issues

A transportation study\(^5\) on Milford Road identified that existing traffic volumes, and the mix of vehicle types and travel patterns, are the causes of existing congestion-related problems on the road.

People travel to Milford to experience the relative isolation and wilderness. However because of large increases in the number of tourists (this trend is forecast to continue) and an inability to cope with these influxes, the very characteristic that makes the Milford Road corridor so attractive is gradually being diminished, creating an experience that is becoming gradually more ‘crowded’.

Issues identified with the current Milford road corridor are discussed below:

2.1 General Issues

2.1.1 Forecast increase in visitor numbers

Projected visitor numbers will only exacerbate the existing problems described above and diminish the visitor experience in the future. Currently approximately 450,000 people travel the Milford Road to visit Milford Sound each year. Visitor numbers are forecast to increase at 7% per annum to 750,000 people by 2012 (see Figure 1 below).

![Figure 1 Projected Tourist Numbers to Milford Sound](image)

Source: Fiordland National Park Milford Road Transportation Study – Mike Barnett.

2.2 State Highway 94 Capacity

State Highway 94 (SH94) experiences large traffic volumes, especially during peak summer months and between the hours of 10am to 4pm, as most travellers are day-trippers that originate from Queenstown. Vehicle counts during the survey period 2 – 10 February 1999 provides evidence of the peak traffic flow

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\(^5\) Fiordland National Park Milford Road Transportation Study (Draft), Barnett Consulting (March 2004)
across the day. Inward: 20 – 25 vehicles per 15 minutes from 10am – 11.30am and outward: between 4.15pm and 5.15pm. This is compared to daily averages of 7-10 vehicles per 15 minutes. Inward traffic peaked at 44 per 15 min (10.30am 10 Feb. 1999) and outward peaked at 51 per 15 min (4.45pm 10 Feb. 1999). This also creates parking and congestion issues at Milford Sound itself during peak times.

The challenge is how to better manage the peak of visitors by spreading the visitor numbers throughout the day so as to mitigate the congestion issue. While the projected traffic growth rates are high, the current traffic volumes are low with peak volumes occurring between 11am and 2pm during summer months. Restrictions of tourist numbers at Milford Sound are more likely to occur before the two-laned SH94 traffic volume capacity is reached.

From stakeholder consultation it emerged that whilst there are fewer people visiting during the winter months there are still many buses, most of which are travelling from Queenstown three quarters empty. This needs to be addressed, as it is an inefficient and unsustainable use of this important State Highway corridor.

### 2.3 Congestion

#### 2.3.1 Perceived vs. Actual congestion

It must be noted that people view congestion differently. What has been documented as congestion may not be consistent with the views of the tourists visiting the area. The percentage of international tourists visiting Milford sound far outweighs the number of domestic tourists. International tourists often have a different view as to what is considered to be congestion, as many are used to more populated areas. Recent surveys conducted by Real Journeys indicate that visitors only see congestion being a problem in Milford Sound itself – on the boats and in the visitor terminal. Free and independent travellers (FIT’s), especially domestic visitors, are less tolerant to congestion than those on bus tours.

However, part of the attraction of the region is its remoteness and a corresponding wilderness experience, and it is this experience, which could easily be lost by overcrowding, whether it is real or perceived.

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6 Source: Transit NZ electronic vehicle counter situated on Te Anau side of Te Anau Downs. (Barnett Consulting Report)


7 Estimated to be 90% international and 10% domestic visitors to Milford Sound.
2.3.2 Congestion at viewing points along the road

A major issue on SH 94 is congestion at popular viewing spots due to the large volume of tour buses, campervans and cars wishing to stop at these locations and the minimal parking space available. These areas are not capable of effectively handling the number of vehicles that wish to park at these locations during the busy summer months and vehicles are often parked on the roadside creating hazards for pedestrians and other road users. Recent modifications to the parking space available at the Mirror Lakes have been effective at mitigating this issue. Other areas of concern include Falls Creek, Monkey Creek and Pops View, where parking is inadequate and upgrades are necessary to cope with visitor numbers.

2.3.3 Congestion at Milford Sound

Most people who visit Milford Sound travel by day from Queenstown. Because of the length of the journey, a 12 hour round trip, most people arrive and leave Milford Sound at approximately the same time of the day. This creates a peak of visitors during the period around midday.

Cruise operators recently introduced cheaper prices for cruises at off peak time slots which has been moderately successful in encouraging visitors to travel into Milford at different times. In order to have a consistently even spread throughout the day during peak months, visitors would have to overnight in Te Anau, thereby creating the opportunity for half day trips. In order for this to be successful Te Anau would need to be able to provide more accommodation for travellers, however seasonality and the lack of tourist numbers in the winter plays a major role in the lack of investment in accommodation in Te Anau. One hotelier indicated he was unwilling to further invest in Te Anau accommodation while there was uncertainty over the Queenstown – Milford Sound transport options.

2.4 Conflict between road users

Conflict on the road between different types of vehicles, between cars, campervans and buses is of concern. People in cars become frustrated travelling behind slow buses with no opportunity to pass.

Currently most traffic flows into Milford Sound in the morning and out in the afternoon, however an increasing number of people are using the overnight cruise option, which creates problems with traffic flowing two ways along narrow sections of the highway. Any new development options that would see visitors to Milford more spread throughout the day would need to take the flow of two-way traffic on narrow sections of the road into account, particularly existing one-way bridges.
2.5 Safety on the road

In the Southland District just over half the rural crashes occurred on the State Highway network, with one third of those being on SH 94. Table 1 below shows the accident numbers that have occurred on SH94 over the period 1992-2002. Figure 2 below shows the majority of serious injuries that occurred on SH94 during 2002 occurred at the congested, winding sections of SH94. (Image source: LTSA New Zealand).

<table>
<thead>
<tr>
<th>Year</th>
<th>Fatal</th>
<th>Serious</th>
<th>Minor</th>
<th>Non injury</th>
<th>Total</th>
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<tr>
<td>1992</td>
<td>0</td>
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</table>

Source: Fiordland National Park Milford Road Transportation Study. Note: The significant increase in the number of non-injury accidents is in some part believed to be because of better reporting. It is recognised however that there are many non-injury accidents not reported.

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8 LTSA Road Safety Issues, Southland Region 2004
2.5.1 Driving conditions

The inability of some drivers to handle driving conditions, especially in the winter months, coupled with a lack of education provided surrounding the current condition of the Milford Road, results in safety issues. Transit New Zealand advise that SH 94 is one of the most exposed avalanche roads in the world. Road condition signs are located at Te Anau (1 km north of the township), Knobs Flat (65 km north of Te Anau) and at Milford Sound (5 km east of the Sound) and provide information on the current road conditions, advising drivers whether chains need to be carried and of the avalanche hazards.

People who are driving rental cars and who are not used to the handling of the car or the difficult road conditions are put at risk. Some tour buses are ill equipped to handle the road conditions, particularly in winter. Driver education coupled with regulations as to the type of vehicle used will help to alleviate these concerns. One suggestion is that bus drivers be required to hold certification (experienced ability) to drive commercial buses on the Milford Road. The New Zealand Bus
and Coach Association\(^9\) has introduced a code of practice for coaches operating on SH 94 to Milford Sound in an attempt to better educate and prepare drivers for the road conditions.

Tourists who are often distracted by the scenery can cause accidents, particularly those who are used to driving on the other side of the road.

### 2.5.2 Road structure

There is a lack of passing lanes, the presence of one-lane bridges, and narrow seal width in many sections of the road making passing difficult. This is of particular concern due to the conflicts between vehicle types on the road (see section 2.3 above).

### 2.5.3 Emergency Services

Twenty-one ambulance volunteers are based in Te Anau and the medical centre is designed to service the weekly local population of 3,150.\(^10\) With visitors during the peak summer months reaching approximately 66,400 per month these medical personnel are finding it increasingly difficult to handle the demand for emergency services. 80% of the work is created by accidents on the Milford Road and the walking tracks. Te Anau is a long way from a base hospital, the nearest being in Invercargill, with limited medical services also available in Queenstown.

The ability of emergency services to provide assistance is also lacking due to the isolation and nature of the no-exit road. There is a lack of communication facilities en route (no cell phone coverage between Te Anau Downs and Milford, satellite phone for emergencies at Homer Tunnel, card phone at Knobs Flat and in Milford)

A lack of funding for emergency services is an issue and DHB liaison is ongoing. Person and physical resources are necessary to ensure safety and efficient emergency responses. Transit New Zealand is working with local organisations to provide more satellite phones en route as well as more emergency equipment provided at either end of the Homer Tunnel.

### 2.6 Homer Tunnel

The Homer Tunnel is situated 30 minutes from Milford Sound. Completed in 1953, it is 1.2 km long, narrow, unventilated with a 10% gradient. The recent addition of traffic lights at either end of the tunnel and lighting in the tunnel itself has done much to improve traffic flows during peak months, however a maximum wait of 20 minutes for traffic lights to change may frustrate some travellers\(^11\).

Vehicles queuing at the entrance to Homer Tunnel are put at risk due to avalanche danger in the area during winter. While vehicle queues are rare in the winter because of reduced volume of traffic on the

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\(^9\) The New Zealand Bus and Coach Association represents about 80% of the licensed hire and reward bus and coach operators in New Zealand. The Association’s members carry about 80-90% of all coach passengers to Milford Sound.

\(^10\) Fiordland National Park Milford Road Transportation Study.

\(^11\) Traffic lights are only operational during the busy summer months.
road, during the spring when vehicle numbers increase, queues become more frequent. The traffic lights cannot be introduced during these busier spring months, as there is still avalanche danger in the avalanche zones at either end of the tunnel, creating danger for vehicles queuing. The red circle in Figure 2 below highlights the increase in vehicle numbers during the spring months October to November when there is still avalanche danger. Should the number of people using the road during these months continue to increase, as is shown by the difference between the dark blue and light blue lines on the graph below, a safety threshold for the road would be reached. This is due to the conflict between the necessity to use lights at the tunnel, creating queues, and the dangers of vehicles queuing in the area during avalanche season.

Figure 3 Retford Stream (SH94, north of Te Anau Downs) Traffic Volumes

![Graph showing traffic volumes](image)

2.7 Milford Sound Airport

The Milford Sound airport is primarily utilised for the movement of tourists with approximately 16,000 aircraft movements per year. Most of these landings are associated with scenic flights from Queenstown. The following information forms part of the recent Draft Fiordland National Park Management Plan – Aircraft Issues document prepared by the Southland Conservancy of the Department of Conservation:

Although a total of 48 aircraft can operate into Milford, only a maximum of 30-35 are able to operate at any one time due to limited parking and congestion in the airspace so this provides a self-regulating control. In the last few years there is around a maximum of 25 aircraft in Milford at any one time. Another

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12 Source: Transit New Zealand, 2005
13 Source: Airways Corporation of New Zealand, 2004
reason for the limited number of aircraft is that operators are using various boat operators that have different timetables, thus spreading the aircraft movements to different times. The Department of Conservation proposes to allocate aircraft use of Milford airstrip, at 2004 levels, via concessions while further work is done to assess any impacts of noise and frequency of airstrip use.

A significant level of aircraft noise can greet visitors to Milford during daylight hours in summer. At one point surveyed on the Milford Track, the level of aircraft noise is equivalent to that experienced by a person at a distance of 35m from a busy road. The sound exposure level can be equated to that of 800 cars per hour travelling at 100km/h.

Information provided by the Queenstown Milford Users Group (QMUG) to Hegley Acoustic Consultants suggests that there are, on average, 48 landings and 48 take-offs a day (Source: Hegley Acoustic Consultants, August 17, 2005). Over the proposed nine-hour operating period of Milford Airstrip, this would equate to a landing or take-off from the Milford Airstrip approximately every 5 minutes and 40 seconds. However, at the busiest times there is an aircraft movement every 50 seconds. (Source: Airways Corporation of New Zealand Limited, August 20, 2004.). With the handling capacity of Milford Airstrip, the frequency of aircraft movements cannot increase indefinitely, not least for congestion and visitor impacts.

In the Department’s view, noise and congestion issues are emerging over aircraft use of the Milford airstrip, which to date has been open access.

Some research has been commissioned by the Department of Conservation into the noise issues and more is needed, in particular, the extent to which visitors to Milford and the adjoining National Park areas are affected by aircraft noise.

If research reveals that a lower level of aircraft noise and/or aircraft movement frequency would be desirable, these allocations of aircraft movements may need to be reduced. Alternatively, research may reveal that increased numbers of aircraft movements may not only be acceptable, but desirable.

The goals:

The maximum number of commercial passengers flown in and out of Milford Airstrip each day is 273 using current aircraft numbers and type (source: Hegley Acoustic Consultants, 17th August 2005 and Civil Aviation Authority 29th August 2005). At this stage, the Department of Conservation would like to encourage more use of larger, quieter aircraft into and out of Milford, while reducing the use of noisy aircraft. This would produce a win-win outcome: more visitors can fly into Milford with fewer aircraft movements with less noise and less aircraft congestion.

Commercial helicopters:

Helicopters also produce noise and cause congestion but less data is available for this type of use. Suffice to say that helicopters account for less than one-tenth of total aircraft use of Milford airstrip.

The Department of Conservation is looking at allocating up to 1845 take-offs and 1845 landings a year based on 2004 use levels (source: Ministry of Transport figures Milford Sound Airstrip – Landings information for the year to 30/06/2004).

Recreational users at Milford:

The Department of Conservation is proposing an allocation on each recreational user of one movement per month with a maximum of 308 movements for all recreational users per year. This is based on 2004
figures (source: Ministry of Transport figures Milford Sound Airstrip – Landings information for the year to 30/06/2004).
3. Milford Sound Access Proposals and Upgrade Options

A number of redevelopment options have been put forward that attempt to mitigate the congestion issues on the road and at Milford during peak times. These options need to be evaluated and a plan implemented that considers the forecast increase in tourist numbers.

The Department of Conservation, in conjunction with Transit New Zealand, is investigating options for engineering solutions to address congestion and road safety concerns and will implement appropriate solutions as funding allows.

There are currently a number of alternative options being considered that attempt to enhance the Milford Sound transport experience. These options must be evaluated against criteria to determine their feasibility, suitability and acceptability. It must also be highlighted that the congestion issue is only relevant for a small number of months in the year, therefore any option must be cost effective throughout the whole year. The following options have been put forward as ways to mitigate current issues surrounding Milford Sound and its access:

- Sky trail Milford – Gondola;
- One-way Greenstone Valley Road;
- Fiordland Link Experience – The Monorail;
- Haast – Hollyford road;
- Shuttle service on existing road – “Park and Ride” transit system;
- Upgrade of Milford Sound airport to allow larger aircraft;
- Booking System Milford Road Corridor; and
- Upgrade existing road – SH94.

The following sections look at each proposal in more detail. These sections contain excerpts from various proposals by their respective proponents, which have been referenced in Appendix C and in no way reflect the views of the Southland Integrated Transport Study Working Group. For further information on these options see the map in Appendix A and the comparison of options in Section 6 below, including an assessment table in Appendix B.
### Table 2  Milford Sound Access Proposals and Upgrade Options

<table>
<thead>
<tr>
<th>Upgrade Option</th>
<th>SWOT Analysis Summary – Tally Local</th>
<th>SWOT Analysis Summary – Tally Regional</th>
<th>SWOT Analysis Summary – Tally National</th>
<th>SWOT Analysis – Tally TOTAL</th>
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<tbody>
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<td>1</td>
<td>-4</td>
<td>-22</td>
</tr>
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<td>-6</td>
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<td>Fiordland Link Experience</td>
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<td>-2</td>
<td>-13</td>
</tr>
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<td>Upgrades to Existing Road</td>
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<tr>
<td>Exclude Campervans and Private Cars from Milford Road</td>
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<td>8</td>
<td>7</td>
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<tr>
<td>Status Quo</td>
<td>-16</td>
<td>-9</td>
<td>-7</td>
<td>-32</td>
</tr>
</tbody>
</table>
3.1 Sky trail Milford – Gondola

Route: Passengers could either take a ferry from Queenstown across Lake Wakatipu to the Caples Valley, or drive around the lake through Glenorchy, then transfer to a gondola for the trip along Caples Valley and into the Greenstone Valley, joining SH94 near lake Fergus, where they would transfer to a shuttle for the remaining drive to Milford.

A joint venture between Skyline (owners of the Queenstown Gondola) and Ngai Tahu Holdings Corporation, it would be the longest gondola in the Southern Hemisphere at 12.6 km long, carrying 900 passengers per hour, at 35 minutes from start to end. Currently the drive from Queenstown to Milford takes 12 hours as a round trip and the gondola option would cut 3 hours off that trip. Congestion issues between hours of 11am and 2pm cause problems at Milford, this system could have people in before 10am and not having to leave until 6pm, therefore spreading out the visitor load at Milford and along the road. This fact has been disputed by some of the people consulted in preparing this report. They believe that even with more options of travel times, visitors will still travel during the current peak times unless significant financial benefits entice visitors to travel outside the peak hours.

A favourable option in that it gives people options of travelling, as the existing route would still be operational. This is particularly relevant for domestic tourists who may find the costs of the ride unacceptable, or those who wish to travel independantly.

Issues: Despite being able to have visitors in early and leaving late many tourists, rather than getting up early, would still choose to travel to and from Milford during peak times. There will still be congestion, as people still have to be bused from the gondola terminal to Milford, coupled with visitors arriving in Milford Sound via the existing road from Te Anau. This could lead to a potential increase in the number of buses on the road. The high congestion points of Pops View, Monkey Creek and Falls Creek and Homer Tunnel still lie between the gondola station and Milford Sound.

A gondola would also impact upon the landscape and environment with 85 cable towers 100m apart. However an engineer’s report stated it is a more environmentally friendly option than the monorail or new roads in the area. There are also concerns with placing a gondola in an area of high seismic and wind activity. Other potential adverse effects include diverting tourists from Te Anau, which relies heavily on tourism flows through the township. The costs of the journey should be acceptable to international tourists, however they may be too high for some domestic tourists.

Linking in with cruise time schedules at

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14 New Zealand Journal of Outdoor Education, December 2002
Milford is also a potential issue. The logistics surrounding the movement of people, booking times and waiting times at Milford to tie in with cruise boats timetables would need careful consideration, especially as there are few other tourist attractions in Milford Sound itself.

**Construction Costs:** $100 million total.

### 3.2 One-way Greenstone Valley Road

**Route:** From Queenstown to Glenorchy and along to Kinloch via a bridge or causeway, through a tollgate at Elfin Bay, along Greenstone Valley to meet the existing Hollyford Road, then on a new road to Tutoko Valley, through a new tunnel in the Darran Mountains and on to Milford Sound. The route would be one-way, with vehicles exiting Milford Sound via the existing road. The route cuts 170 km off the current journey Queenstown to Milford, dramatically reducing the travel time from 5 hours to just over 2 for a one-way trip.15

Visitors from Southland would drive through Mossburn on SH 94 and then turn on to the smaller metalled Mt Nicholas road past Mavora Lakes, on to Mt Nicholas and then along an upgraded lakeside road to the Elfin Bay tollgate, cutting 17 km off the current journey.

This option provides a good alternative, as it would significantly reduce congestion on the Milford Road. The tollgate at Elfin Bay would enable staff to monitor and restrict access during peak times or during bad weather. It would provide an emergency escape route in the event of an earthquake or other event blocking either of the routes. Spin-off benefits (or disadvantages depending on local perspectives) for Glenorchy are a possibility with increased traffic passing through the township.

Southland may benefit as people could start in Queenstown, visit Milford and then, without backtracking, continue on through Te Anau and join up with the Southern Scenic Route.

**Issues:** Road tolls estimated by the proposer of the Greenstone Valley Road to cover the cost of construction of the new road and tunnel amount to $34 per person and an additional $50 for the new tunnel route. These costs may be unacceptable to tourists wanting to visit Milford Sound. The validity and basis of these fees have not been considered by this report.

There would also likely be opposition from environmental groups and DoC regarding the construction of a new road through the Fiordland National Park. There could be major problems with obtaining resource consents for such a road. This option would also require the upgrade of the road from Queenstown to Glenorchy to facilitate larger volumes of traffic.

Some of those consulted commented that while visitors travelling from Southland would have the opportunity to cut 17 km off the current journey by way of a new route through Mt Nicholas, it could be argued that many would prefer the existing route as the distance saved is minimal.

**Costs:** for the full development option including new 3 km tunnel and allied roading: circa $220 million.

### 3.3 Fiordland Link Experience – The Monorail

**Route:** From Queenstown across Lake Wakatipu by catamaran to Mt Nicholas Station, along existing Von Road and other back country roads by all terrain vehicle, transferring to the monorail from Kiwi Burn

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15 Submissions on Draft Fiordland National Park Management Plan, Tommy Thompson
into Whitestone valley, through Snowdon Forest over the saddle into Upukerora Valley, along Dunton Swamp, along Retford Stream and to Te Anau Downs where passengers would be transferred to a shuttle for the remainder of the journey along the existing road to Milford. Unlike the Gondola proposal, the route does not pass through the Fiordland National Park.¹⁶

The proposal, put forward by Riverstone Holdings Ltd, includes a 41 km ground-level monorail and 45 km trip in all terrain vehicles. The proposal put forward is extensive and includes a traffic impact assessment, an assessment of environmental effects and a cultural impact assessment.

The proposal suggests that because of the journey being shorter you can have visitors arriving in Milford earlier and leaving later thereby easing congestion at peak times, although this has been disputed by some people consulted in preparing this report. As with the gondola, they believe that even with more options of travel times, visitors will still travel during the current peak times unless significant financial benefits entice visitors to travel outside the peak hours.

A favourable option in that it gives people options of travelling, as the existing route would still be operational. This is particularly relevant for domestic tourists who may find the costs of the ride unacceptable.

**Issues:** Despite being able to have visitors in early and leaving late many tourists, rather than getting up early, would still chose to travel to and from Milford during peak times. There will still be congestion at popular viewing spots along the Milford road, as the high congestion points of Pops View, Monkey Creek and Falls Creek and Homer Tunnel still lie between the monorail station and Milford Sound as people still have to be bussed from the monorail terminal to Milford. Coupled with visitors arriving in Milford Sound via existing road from Te Anau, this could lead to a potential increase in the number of buses on the road.

The monorail could also impact upon the landscape and environment, especially in an area that attracts so many visitors for the purpose of tramping and walking. It could also have adverse effects of diverting tourists from Te Anau, which relies heavily on tourism flows through the township, however the monorail station would be situated closer to Te Anau than the proposed gondola station.

Projected cost is $145 per person for a round trip Queenstown-Lake Te Anau, however there is still the added cost of the coach from the monorail terminal to Milford and back. These costs may be acceptable to international tourists, however the cost of the monorail may be too high for domestic tourists who would most likely prefer the cheaper option of driving in private cars.

Linking in with cruise time schedules at Milford is also a potential issue. The logistics surrounding the movement of people, booking times and waiting times at Milford to tie in with cruise boat timetables would need careful consideration, especially as there are few other tourist attractions in Milford Sound itself.
**Costs:** Development - $150 million.

### 3.4 Haast – Hollyford Road

**Route:** from SH6 at Haast along existing Jackson Bay road to Cascade Bay, along the coast to Big Bay, through Pyke Valley and into the Hollyford Valley connecting via existing Hollyford road with Milford Road (SH94).

Total distance from SH6 to SH94 would be 202 km and most of the road would be below 200m in altitude. Existing roads already make up 39% of the proposed route. The route would give people access to a notable scenic experience. The new road would in effect create a loop allowing people to make a continuous trip in one direction, rather than backwards and forwards to Queenstown as present, creating more travel options for tourists and improving visitor flows around the South Island, with possible benefits for Southland, with the Southern Scenic Route linking to create a complete trip around the South Island.

There are possible benefits to Te Anau through demand for more overnight stays, as well as expenditure and employment opportunities, however this could also work the other way with people bypassing Te Anau and staying at the Glaciers or in Queenstown.

**Issues:** This option still creates congestion at Milford, perhaps even exacerbating the problem with increased access from the West Coast during peak hours because of distance travelled, which is similar to the distance from Queenstown. There would still be the problem of congestion at the Homer Tunnel and viewing spots along the way between the intersection of SH94 and the existing Hollyford road and Milford Sound. There would also likely be opposition from environmental groups and DoC regarding the construction of a new road through the Fiordland National Park as well as major problems with obtaining resource consents for such a road.

**Costs:** between $165-275 Million for consents, design & construction – the isolated area increases costs of construction. A toll could be placed on the road to help recover costs.

### 3.5 Shuttle service on existing road – “Park and Ride”

**Route:** using the existing SH94, a mandatory system whereby buses operate at intervals from a vehicle-park transfer station proposed at Te Anau, Te Anau Downs, the National Park entrance or Eglinton Valley. This option would transport all-day visitors to and from Milford for a charge.

The Milford Road corridor could be open to private cars during the off-season. Private cars could also gain access at certain times for certain activities during peak-season.

It would simplify travel within the park and makes it easier to see park features, reduce traffic congestion, noise, air pollution and adverse effects on park resources and values. A cost effective option when

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17 www.southislandloop.co.nz
compared to other options. It would also provide DoC with management control and sustainability in managing increased visitor numbers to Milford. The system would reduce the incidence and cost of accidents and requires no significant modification to the current road system, apart from shuttle terminals. The system would make it unnecessary to increase parking capacity at congestion spots along the route and in Milford Sound. Buses could be timed to leave at intervals, providing a sense of isolation en route, adding to the wilderness experience.¹⁸

A voluntary park and ride system could also be developed but would be unlikely to be used and could add to congestion.

A park and ride system could be developed comparatively cheaply using existing coaches and a system of licensing existing tour operators.

**Issues:** takes away freedom from tour operators and independent travellers in their park experience. There is also an inconvenience of having to wait for a bus, and load/unload buses, which could add time to an already substantial day journey from Queenstown and there could be especially lengthy delays during peak times (11.00-16.00) of the summer months. Timing in relations to cruises on Milford Sound would need to be carefully managed as there could be a large waiting time with few other activities or entertainment in Milford Sound itself. There is a risk of having significant adverse affects on tourism in Southland, should people choose not to visit Milford Sound because of the lack of independence and flexibility in the transport system. Costs to travellers may be unfavourable, especially to those in rented cars or campervans who have already paid for transport, who may be reluctant to have it sitting in a car park while they use another form of transport.

However, a system of vouchers for rented vehicles may solve this.

Linking in with the cruise time schedule at Milford is also a potential issue. The logistics surrounding the movement of people, booking times and waiting times at Milford to tie in with cruise boats timetables would need careful consideration, especially as there are few other tourist attractions in Milford Sound itself.

**Costs:** Development costs: $50-$70 million

**Department of Conservation Requirement:** The shuttle service for the existing Milford Road would require a concession form the Department of Conservation in order to authorise the activity on Department land. The Fiordland National Park Management Plan currently being reviewed by the Department focuses on improving the flow of visitors into Milford Sound. In order for any traffic flow improvement option to be considered by the Department of Conservation, the option will be required to meet set criteria specified in the Fiordland Management Plan.

The revised Fiordland National Park Management Plan will become publicly available when it is presented to the Southland Conservation Board to begin the approval process in the latter part of 2005¹⁹.

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¹⁸ Fiordland National Park Milford Road Transportation Study
¹⁹ Anke de Jong, Community Relations Officer – Planning, DoC, Southland Conservancy
A recent report by GHD has looked at the proposed park and ride shuttle system and highlighted the following concerns:

“We are very concerned about the risks implicit in this proposal for Southland and NZ. The proposal could easily backfire and result in operators not offering a trip to Milford and, at the suggested price; it would be unaffordable to most NZ families. In addition, tour operators may well see the proposed service as competition. We judge that most New Zealanders would argue that they had the right of free access and this proposal takes that right away from them.

Accordingly, not only is the proposal most likely to be politically unacceptable but also it would have adverse affects on tourism in Southland. However, the concerns raised in the proposal do need to be addressed. We argue that they can be successfully addressed for the benefit of all of Southland. The potential costs and disbenefits for Southland are mostly related to initial implementation of the scheme. As with potential benefits, the likelihood of these costs and disbenefits occurring are dependent on the success of the scheme and its affect on the tourism market for Milford Sound.

Capital Cost of Shuttle Bus System

The study reports that the estimated capital cost of developing a transportation system based at the park entrance would be approximately $39 million. If the system were based at Te Anau, it is assumed that additional shuttle buses would be required and the estimated capital cost would increase to $56 million. The basis of these estimates is not clear.

Funding for implementation of the scheme would presumably be sourced from the Central Government or by a government loan. However, if sufficient funds were not acquired to fund the project fully, some financial contributions may be required from Environment Southland, Southland and Gore District Councils, and/or Invercargill City Council. Further, if funded by a government loan, some contributions may be required from the regional and local government bodies if insufficient revenue was collected to cover loan repayments.

Operating Costs of Shuttle Bus System

It would be expected that the revenue collected from the shuttle bus system would be sufficient to cover the operating costs. However, if revenue is insufficient due to lack of users or inefficient operations, some contributions may be required from regional and/or local councils.

Increased Transport Infrastructure Requirements

It has been identified that the existing transportation network in Southland will restrict economic development of the region, including tourism growth. Sourcing funds for improvement and maintenance of Southland’s existing transportation network may be unsuccessful. Consequently, contributions may be required from the local councils to avoid the missed revenue of unrestricted growth in tourism.

Intangible Costs/Disbenefits

Other intangible costs and disbenefits include:

- Perceived loss of freedom to travel to Milford Sound by private vehicle, which may result in reduced tourist activity in this sector.
- Perceived inconvenience to tour buses having to park at the vehicle transfer station and travel to Milford Sound by shuttle bus
- Loss of tourist control to the shuttle bus operator
• Need to provide security to private vehicle owners who leave their vehicle to take a shuttle
• Lost opportunity to New Zealanders who cannot afford the shuttle bus.”

3.6 Controlled Road Environment – Existing State Highway 94

3.6.1 Certified users only
This scenario would see the Milford Road Corridor open only to certified users. All private vehicles including private cars and campervans would not be allowed access; instead access would be via compliant transport operators only. Such operators would include buses that had been certified to travel along the Milford Road; certification being obtained by meeting strict guidelines with regards driver competence, vehicle roadworthiness, and other safety measures.

Such a system would potentially reduce the number of accidents on the road caused by drivers who were unaccustomed to the challenging driving conditions, especially during the winter months. It could also ease congestion on the road, as there would be potentially fewer vehicles than present.

Similar to the ‘Park and Ride’ option above, this option would also reduce the freedom people currently have when travelling into the Fiordland National Park.

3.6.2 Toll road
There is the possibility to introduce a toll on the Milford Road. Different charges could be put in place for different times of the day, plus exemptions for those working in Milford. A toll could be the first step to introducing the park and ride concept. The Milford Rd does not meet the criteria for tolling contained in the LTMA (and section 48(2)). A toll would therefore need to be introduced by way of a Local Bill. Apart from providing an alternative funding to maintaining and fund upgrades to the Highway, additional benefits of placing a toll on the road are not obvious. Investigations into the viability, legality and the behaviour of travellers on toll roads of a similar nature would be necessary (i.e. would more people be inclined to use a bus service than take their own car should a toll be in place?). Mitigating the effects of congestion by using a toll is unknown at this point.

3.6.3 Speed limit reduction
Another alternative proposal could be to change the speed limit on the Milford Road to 80 km/h, similar to what has been done in National Parks in other countries, in order to improve the safety record on the road. This proposal would probably draw opposition from tourist operators given that it may no longer be possible to travel from Queenstown to Milford and back in day with a lower speed limit. The positive or negative effects of a reduced speed limit on road congestion along the Milford Road are not known at this time and this warrants further investigation.

3.7 Upgrade of Milford Sound airport to allow larger aircraft
This option could alleviate some of the congestion on the roads and enable more visitors to arrive early and leave late easing congestion at Milford Sound.

It gives people options of travelling, as the existing route would still be operational.
**Issues:** DoC has imposed restrictions on aircraft operating in the area in the Draft Fiordland National Park Management Plan. The adverse effects of aircraft access may include noise, visual intrusion, loss of remote experience and social conflicts. Research undertaken in 2000 into visitor perceptions of aircraft revealed that 60% of Milford Track users and 38% of Milford Sound/Piopiotahi visitors noticed more aircraft than they expected. About 51% of trackwalkers and 20% of Sound visitors, were annoyed by the level of use that they noticed. This indicates that the adverse effects have already reached an unacceptable level.

The cost of air travel makes flying an unattractive option for many tourists. Currently scenic flights ex Queenstown with a Milford cruise are approximately $350 per person. The Milford Road journey itself is a tourist attraction and many people would miss this should they fly in and out of Milford, therefore many will still opt to use SH 94.

### 3.8 Booking System Milford Road Corridor

This would control the number of people that can enter the park at one time, possibly reducing the congestion at viewing spots. It could be as simple as the process used on Milford walking track, in which people book a time slot for entry onto the track. Such a system would more evenly spread the load of visitors using SH 94 and arriving at Milford Sound. It could also encourage investment in Te Anau, as people wishing to book earlier time slots would need to overnight in Te Anau rather than Queenstown. This option would give the Department of Conservation effective control over the number of visitors to the National Park. Such a system would only be necessary during the peak summer months. During the off-season travellers could travel freely as is the current situation.

A different version of this option could see a system that would allocate the time a vehicle could park at Milford Sound. The time would be pre-booked before visitors travelled to Milford.

**Issues:** places restrictions on travellers that could diminish visitor experience. People may put the Milford trip in the ‘too hard’ basket and go elsewhere. Linking in with the cruise time schedule at Milford is also a potential issue. The logistics surrounding the movement of people, booking times and waiting times at Milford to tie in with cruise boat timetables would need careful consideration, especially as there are few other tourist attractions in Milford Sound itself.

### 3.9 Upgrade State Highway 94

Transit New Zealand’s strategy outlines the following most significant improvement projects proposed for construction on SH94 within the next 10 years:

- Falls Creek bridge widening to provide a pedestrian walkway
- Homer East Portal Avalanche Shed project to reconstruct and extend the entrance to the tunnel and provide avalanche protection.

Safety issues in the Homer tunnel are of serious concern and need to be addressed now (see Section 2.5 above). This includes the provision of a safe waiting area (not in the current avalanche zone). Replacement of the Homer east portal avalanche shed on a new alignment on SH 94 is priority no. 52 of 124 large activity priorities identified by Transit New Zealand. Estimated cost of construction: $14,500,000. Earliest construction date: 2008/09.

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20 Taken from Transit New Zealand’s Draft 2005/6 – 2014/15 10 year State Highway Plan (Southland)
Other recommendations made in a recent GHD report\textsuperscript{21} are:

- A system of communication along the route should be implemented now.
- Driver training and certification and tradeable slots in a schedule to and from Milford between 11.00 and 15.30 to help mitigate effects of buses travelling too close together and prevent crowding at viewing spots.
- Seal widening and passing facilities to help tourists cope on roads and help with bus congestion. 37\% of the SH94 route has seal width deficiency.
- Road design from a tourist perspective – passing lanes, better parking at viewing spots etc.

A kiosk or portal at Te Anau or at the entrance to the National Park could provide visitors with information about the road conditions and hazards, particularly tourists who are unfamiliar with the area. Vehicles could be inspected at the kiosk to determine the roadworthiness of vehicles and to ensure vehicles are carrying snow chains.

Transit’s strategy on highways where traffic volumes are less than 4,000 vehicles per day is to provide passing lanes or passing bays on these highways only where there are insufficient long straights with adequate passing sight distances to provide adequate passing opportunities. There are no passing lanes and only one passing bay along the highway and the curvilinear nature of the highway, the mountainous terrain and the resulting lack of safe overtaking sight distance mean that there are very few passing opportunities. Nevertheless, due to the high cost of working in the area and the low traffic volumes, no projects to provide additional passing opportunities are proposed except to keep vegetation trimmed to maximise existing passing opportunities\textsuperscript{22}. Despite the low average traffic volumes when compared with other State Highways, Transit New Zealand’s strategy needs revision to provide special treatment for SH 94 because of the nature of the road and its strategic importance to the local and national tourism industry.

Transit’s 10-year plan 2004/5-2014/15 for Southland involves continuing to deploy the latest hazard management systems at the Homer Tunnel on SH94. The current avalanche hazard management system is recognised as being world class. The intention is to ensure that the programme remains adequately funded and the latest techniques are deployed to maximise access to Milford Sound, and minimise avalanche risk to road users. The provision of emergency facilities at the tunnel is being enhanced.

The tunnel has recently had traffic signals and roof lighting added in 2004 and this has helped to improve traffic flows and reduce queuing of vehicles during peak summer months. A two lane tunnel would

\textsuperscript{21} Report on Proposed Milford Road Shuttle Bus Transit System, Aug 2004
\textsuperscript{22} Transit NZ SH94 Strategy
mitigate many problems but at a high cost of construction and the loss of part of the experience of the journey.

A kiosk near the National Park entrance has been suggested as a way to improve driver education, with information on how to drive to the road conditions for the length of the journey. This would ensure drivers are fully equipped and have a good knowledge of the road.

Providing better facilities at viewing spots could mitigate problems with congestion along certain sections of the road. Such facilities could include increasing parking space available, especially for buses, and better management of visitor flows at viewing spots.

3.10 Status Quo

Should access to Milford Sound be left in its current condition existing problems and issues in the future will become more exacerbated due to the increasing number of people visiting the area. Congestion will increase, diminishing the experience for visitors and possibly having a negative impact on the environment. Safety will become more acute as an issue.

Negative perceptions surrounding congestion, unsafe access and damage to the environment will have flow on effects to the economy in terms of tourism, both locally, regionally and nationally. Doing nothing is considered to not provide a long-term sustainable solution.
4. Department of Conservation Draft Fiordland National Park Management Plan

The Department of Conservation released a Draft Fiordland National Park Management Plan (the Plan) for consideration in November 2002. The plan sets out how the Department will manage the National Park’s biodiversity, commercial access to the Park, the provision of facilities for recreation, and how the Department will manage the activities of the tourism industry. Once approved by the New Zealand Conservation Authority, this plan to manage the Park will have a lifespan of ten years. A series of public meetings to clarify proposals in the Plan were held. Submissions closed in February 2003 and hearings concluded in February 2005. The Department is now reviewing the Plan and it is likely to be recommended to the Southland Conservation Board for consideration in August or October 2005.

The Plan outlines the following issues relating to the Milford Road:

- Daily peaks in traffic volumes and visitor numbers at key sites;
- Congestion and overcrowding at Mirror Lakes and Pop’s View;
- Pedestrian and traffic safety at Falls Creek, Mirror Lakes and Pops View;
- Shortage of toilet facilities;
- Demand for improved signage and information; and
- Demand for a more prominent park entrance.

The Plan provides scope for new facilities to be developed and outlines a series of criteria, working closely with Transit NZ, to which various proposals regarding access to the Fiordland National Park would be evaluated. Such criteria would ensure that any proposed activity would improve the flow of visitors and manage increased visitor numbers to the Park, while not having a negative impact on the Park’s environment or the experience of visitors.

A system of managing visitors to Milford is therefore being proposed in the Plan, with a new car park at the entrance to Milford Sound at Deep Water Basin, where visitors will transfer to a transit system to allow people to access the facilities in the Milford Sound area. Various zones in Milford Sound, such as the Lodge, café and wharf would be serviced by the transit system. With new car parks operational this would enable the current car parks to be more appropriately used, providing less of a sense of crowding and a better visitor experience.

Such a system in Milford Sound would need to be coupled with an appropriate management system on the Milford road itself that would stagger the arrival and departure of visitors arriving at Milford Sound throughout the day.
5. Economic Significance

It is in the international, national, regional and local interest that a sustainable transport framework for the Milford Sound road is established. A point held strongly by the Te Anau community and the industry associated with Milford Sound is that the drive to Milford is a world-class experience in itself and this should be protected and integrated into the management regime of Milford Sound.

5.1 International Significance

Southland reflects New Zealand’s global position in many ways:

- Outstanding natural scenery and wildlife;
- Southern hospitality;
- Wilderness on a huge scale;
- Pioneering heritage; and
- Unhurried, non-crowded, timeless experiences.

As such, it is important to recognise that Fiordland National Park is managed to reflect its international importance as a World Heritage Area. A component of this classification is the role of Fiordland as a “wilderness” of national and international significance. The effects of recreation and tourism management must be considered in this context, not just in terms of its importance in the regional and national New Zealand environment.

Management requires user information to allocate resources effectively. Potential environmental impacts must be anticipated, and visitor safety from hazards ensured to a reasonable degree.

Additionally, the geological features and unique ecosystems render the Milford Sound high international significance in terms of conservation values. The fact Milford Sound is visited by 450,000 of visitors every year attests to the value to the international public.

5.2 National Significance

The following is an excerpt from the Tourism Industry Association of New Zealand:

Tourism is now New Zealand’s largest single foreign exchange earner and overseas visitors spend over $6.5 billion per annum while in New Zealand. One in ten New Zealanders is employed in the industry. Both international and domestic tourism contribute $16.5 billion to New Zealand’s GDP (9.6% of total GDP). Milford Sound is an iconic tourist attraction and a major drawcard for New Zealanders and international visitors. It is surrounded by world-renowned walking tracks, scenic vistas, wilderness areas and heritage sites. The park has been associated with more than 100 years of tourism development with substantial capital investment that has contributed to its iconic and recreational value.

Access into Milford itself is of national interest. Recent safety issues such as high profile bus crashes and fires in the Homer Tunnel are detrimental to New Zealand’s tourism image. Safety on the Milford road

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24 Department of Conservation website: www.doc.govt.nz
25 Tourism Industry Association New Zealand, Submission to DoC hearings on the Draft Fiordland National Park Management Plan
needs to be of a high international standard and any access development options need to mitigate the
current safety issues surrounding the Homer Tunnel; avalanche risks and winter driving conditions, as
well as winding roads with inefficient parking and viewing at scenic points along the route.

5.3 Regional Significance

Milford Sound and the Milford road are world-class attractions, drawing thousands of tourists every year
to the Southland region. In terms of employment, tourism accounts for between 10-12% of Southland’s
labour force and this is forecast to increase from 5,659 full time equivalent’s (FTE’s) to approximately
10,487 FTE’s by 2016.\(^{26}\) In terms of expenditure, visitors spent $368 million in Southland during 2003/4
and this is forecast to grow to $573 million by 2010, an annual average growth rate of 6.9%.

There is also opportunity to tap into the visitors who travel to Milford and encourage them to continue
further south, along the Southern Scenic Route. A regional approach needs to factor in an effective
working relationship with Queenstown, which still drives much of the visitor flow through Te Anau and the
Milford and Doubtful Sounds. Southland needs to encourage visitors to stay in Southland, not just day-
trip from Queenstown. Southland needs to be promoted more as a destination in itself. Options for travel
into Milford Sound need to take into account flow-on economic effects to Southland as a whole.

Commercial pressure for a shorter journey from Queenstown to Milford does not necessarily bode well
for Southland or the local communities. Such pressure is a major driver behind proposals such as the
gondola and monorail.

5.4 Local Significance

Employment in tourism remains the primary driver for the township of Te Anau and the Fiordland region.
The inaccessibility of many parts of Fiordland sustains a large water passenger transport industry, as
well as scenic flights. In 2003, Fiordland attracted 455,000 international and domestic visitors and
sustained $92m in tourism expenditure. Over the period to 2010, total visits to Fiordland are expected to
increase by 4.4% annually, to reach 613,000. This growth (34.9%) will see total visitor nights increase to
922,000, and expenditure reach $151M. International tourists will account for 93.5% of the expected
growth in total visits and 73.5% of the growth in total spend to 2010.\(^{27}\)

Fiordland is a mature group tour market with growing opportunities in the FIT market in Te Anau and
Manapouri. Currently tour buses pass though Te Anau as they journey from Queenstown to Milford.
There is opportunity to offer new half day and overnight products based from Te Anau and management
of the access to Milford Sound could be geared to encourage more visitors to stay in Te Anau.

Development options such as the gondola could cut Te Anau out of the tourism loop and could be
potentially disadvantageous to the local economy. At the same time an option that utilises the existing
route, such as park and ride, or the Haast Hollyford road, could promote Te Anau as an overnight
destination. Te Anau has the potential to become more of a tourist destination, with side tours to the
Power House and Doubtful Sound, which are becoming tourist destinations in their own right.

Local development in Te Anau in particular is being hindered by a lack of uncertainty surrounding the
Milford Road and potential development options such as the gondola or monorail. Currently there is not
enough accommodation in Te Anau to sustain having bus tours based out of the township. Problems with

\(^{26}\) Southland Tourism Strategy 2005-2015

\(^{27}\) Tourism Research Council New Zealand – New Zealand Regional Tourism Forecasts 2004-2010, Fiordland RTO.
a lack of visitor numbers during the shoulder season place pressure on those who rely on tourism for income and this scenario is not attractive to investors. For Te Anau to grow it needs assurance that it will continue to be part of the Milford Sound experience either as a transit point en route from Queenstown or as a destination in its own right.
6. Comparison of Transport Options

Each of the Milford Sound access proposals and upgrade options suggested in section three above were evaluated in an ‘assessment of options’ table (see Appendix B).

Each option was evaluated on a number of different levels: on a national level, regional level and a local level.

The following questions were asked of each option in the assessment:

- Will the option enhance the visitor experience at Milford?
- What are the impacts on the environment within the national park?
- Will the proposal improve traffic flows on the Milford road?
- Will the proposal improve traffic safety on the Milford road?
- What will the effect be on freedom of visitors to the area – choice, recreation etc?
- What effect will the proposal have on visitor congestion at Milford?
- What effect will the proposal have on existing business and investment in Milford?
- Does the proposal enhance the provision of ambulance and medical services to the Milford/Fiordland area?
- Will the proposal improve visitor flows throughout the Southland region and New Zealand?
- Will the proposal provide economic and employment benefits for Te Anau, Southland and New Zealand?
- What are the impacts on the environment regionally and nationally?

The SWOT analysis method was used to look at whether the options had a positive, negative or neutral effect with regards to each of the questions above in a local and regional sense.

A positive effect was given a ‘+’, a negative effect a ‘−’ and a neutral effect a ‘0’.

These scores were then added to give a total score for each option for Local, Regional and National impacts. These totals are found adjacent to each category.
7. Funding Options

Funding can be divided into three streams:

- Commercial operations (Gondola, Monorail and Airfield upgrade);
- Government funded (Transit and DoC); and
- Joint public/private (Toll roads, park and ride).

The commercial operations will be privately funded and apart from the transition points adjacent to the highway will not directly impact on local or government funding.

The existing highway and Milford Sound upgrade proposals will be funded respectively by Transit New Zealand and the Department of Conservation. In Transit’s case these would be via national funding in terms of Transit and Land Transport New Zealand policy.

The joint public/private proposals would be funded by negotiation between the appropriate agencies perhaps including the Southland District Council. Capital works for new highways would need to be self-funded via tolls.
8. Conclusions

SH94 is coping with the current traffic volume. However congestion at viewing spots along the Highway could be improved by flattening traffic volume peaks and improving driver education. A portal or kiosk in Te Anau or at the National Park entrance would assist with communicating to tourists the road conditions, necessary driver skills and hazards associated with the route. It is apparent that visitor numbers and traffic volumes on the Milford Road will continue to increase resulting in diminishing visitor experience, increased congestion and safety risk.

It appears that a progressive move to control of traffic flows will occur over time perhaps initially with a Booking System followed by a formal Park and Ride or Transit system. These options would still require the proposed highway upgrades in order to improve traffic safety. The other options are likely to have a challenging road ahead to approval:

- Of the various proposals the commercially driven proposals of Gondola and Monorail will proceed or not, due to normal commercial and consenting approval processes.
- It is the view of the majority of those consulted that the new link roads are unlikely to proceed due to a strong likelihood that they will fail to gain funding and consenting approvals.

The upgrade of the highway and airport will proceed as demand and funding allows.
Appendix A

Map
Appendix B

Assessment of Options Table

Local Effects
Regional Effects
National Effects
Appendix C

References

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<td>Southland Regional Transport Strategy</td>
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<td>New Zealand Regional Tourism Forecasts – Fjordland RTO 2004-2010</td>
<td>Tourism Research Council New Zealand</td>
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<td>Code of Practice – For the operation of buses on State Highway 94</td>
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<td>Land Transport Safety Authority Road Safety Issues – Southland District</td>
<td>Land Transport Safety Authority</td>
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<td>Fiordland National Park Management Plan – Aircraft Access</td>
<td>Department of Conservation – Southland Conservancy</td>
<td>October 2005</td>
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In addition to the reports above, information from the following websites has been used in this report:

www.milfordroad.co.nz
www.fiordlandlink.com
www.southislandloop.co.nz
www.odt.co.nz
www.doc.govt.nz