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The Banks Peninsular Track-A Case Study In Rural Tourism

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Abstract:

This paper describes the day to day operation and organisational structure of the Banks Peninsular Track. This track was the first private walking track established by farmers in New Zealand and is marketed as an eco-tourism experience including four nights, four days, four beaches and four bays. The paper then goes on to discuss the issues of landowner decision making, company structure, track access rights and statutory requirements. The paper concludes with an overview of the establishment of other private walking tracks in the context of increased crowding in National Parks.

The Banks Peninsula Area

Banks Peninsula comprises some 107,000 hectares and is located to the south and east of the city of Christchurch on New Zealand's South Island. The land was formed some 10-15 million years ago by a series of volcanic eruptions. Initially this land was an island, but further volcanic eruptions ending 6 million years ago combined with glacial activity and the deposition of wind blown loess and river shingle, resulting in the land being joined to the South Island about 20,000 years ago. The peninsula was named after Joseph Banks, the botanist who accompanied Captain Cook on his voyage of discovery to the South Pacific in 1770. Captain Cook mistakenly named the area Banks Island because at the time he was charting this section of the coastline, the low-lying isthmus was obscured by clouds, and he decided not to try and circumnavigate the 'island'.

The landform is characterised by steep hills and a heavily indented coastline. The largest harbour is at Akaroa with Lyttelton harbour being the port for Christchurch. Occupation by the Maori people predates European settlement by several hundred years. Early Maori left a relatively light "foot print" on Banks Peninsula and were mainly involved harvesting fish from the sea and bird life from the bush which covered most of the land. According to Wilson (1999) European settlers began to arrive around 1839. They quickly began to clear the bush for farming and to sell the timber. Approximately one-third of the bush was cut down between 1850 and 1890. The pace of bush cutting accelerated and by 1900 almost all the bush was cleared. At first the easier country was used mainly for dairying and grass seed production, with sheep and cattle farming on the steeper land. Wilson reported that by 1935 the dairy industry was in decline. Reasons for the decline included access difficulties because

of the poor roads, lack of processing facilities, the relatively harsh winter and the lack of flat land on most farms. Today, the landscape is predominantly pastoral comprising sheep and beef farms. Production forestry plantings of *Pinus radiata* are also becoming important and there are small areas of horticulture where suitable microclimates exist. Hill country sheep and beef farmers on the peninsula have had a difficult time over the last decade. Most of the farms only run 2,000-2,500 stock units, which is barely economic. The Meat and Wool Economic Service (2000) survey of South Island hill country farmers showed the average farmer is running 5,300 stock units. Over the last 15 years the average pre-tax profit for this class of farm was only \$31,500 per annum. Farm profitability has continued to decline and a number of farmers have been forced to either acquire more land or sell out. Others have attempted to diversify and take advantage of the proximity to Christchurch and the tourism and recreational activities centered in Akaroa. Others have begun to work off farm.

Rural Tourism

One way for farmers to increase their cash flow is to take advantage of opportunities available in rural tourism. Rural tourism is described by Fairburn (1994) as follows:

“Rural tourism is a form of special-interest tourism which derives its appeal from the contrast between the rural activities or attractions New Zealand operators make available to tourists, and the tourist’s day-to-day urban life”.

Rural tourism can take many forms including farm stays, eco-tourism (birds and other wildlife), organic farming, adventure tourism, garden tours, horse trekking, skiing, rafting and guided walks. Fairburn explains that successful rural tourism operations

require careful planning, hard work and personal skills which may need developing in some farming people. Slee (1987) pointed out that one of the difficulties with rural tourism in the farming community is “true farmers” are seen as tillers of the land, not tenders of tourist flocks. As an example of rural tourism, this paper describes the day-to-day operation and organisational structure of the Banks Peninsula Track (BPT).

The Banks Peninsula Track

The BPT is a 35km private track developed as a co-operative effort by a group of nine, mainly farmer, landowners. The BPT opened in the Spring of 1989 and was New Zealand’s first private track. Bennie (1995) reported that the BPT started with a maximum of four walkers per day and the total number of walkers in the first year was about 300. The BPT (2001) is marketed “as an excellent eco-tourism experience” with “four nights, four days, four beaches and four bays”. Walkers are advised that a moderate level of fitness is required for the BPT. As part of the research for this paper the author walked the BPT in December 2000.

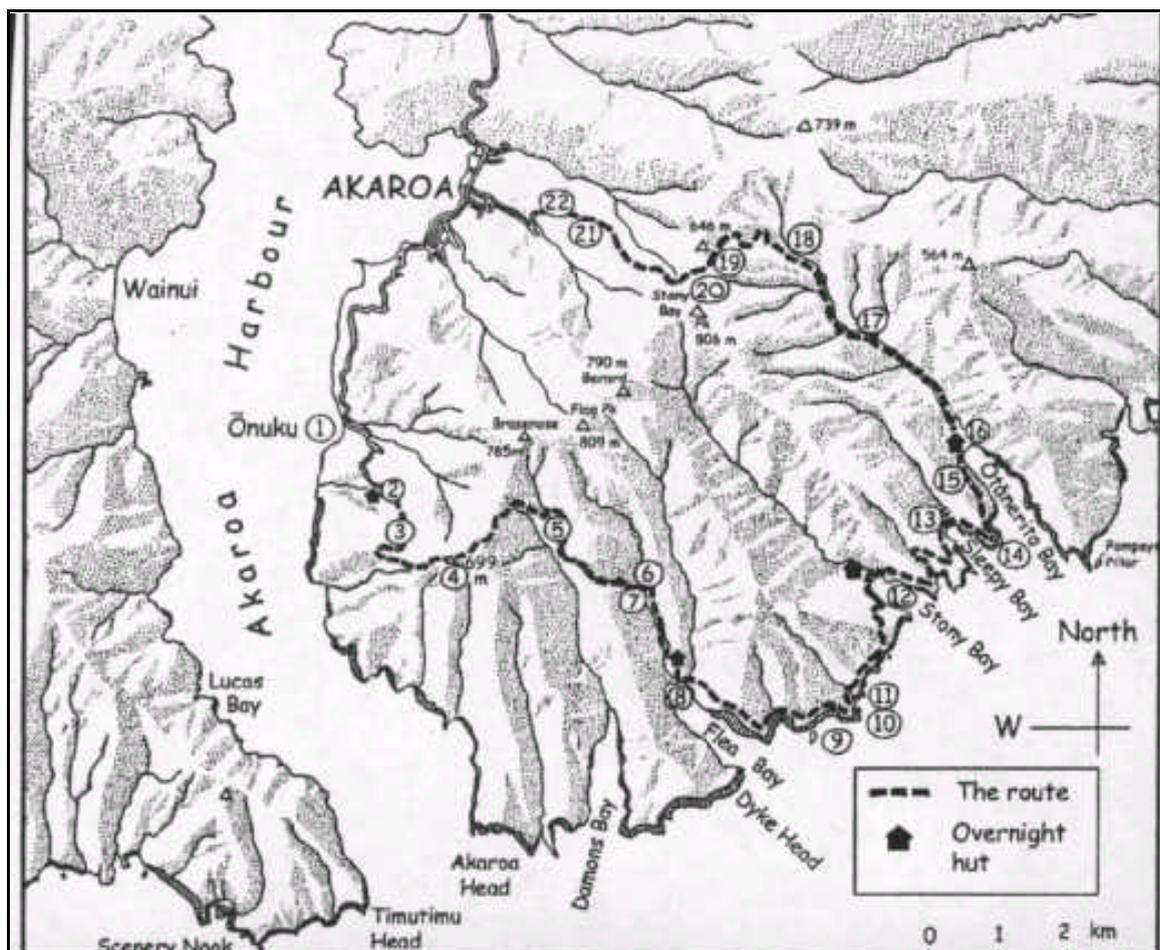
Bennie noted that the removal of farming subsidies in 1984-1986 combined with drought conditions on the peninsula during 1987 resulted in a number of peninsula farmers facing financial hardship. Thus, the need for additional income was the catalyst leading to the formation of the BPT. The track is open from October through April. Prices range from \$130 per person (October 1 – December 25) to \$150 per person (December 26 – April 30).

Unlike the situation in the UK public walkways across rural land are quite rare in New Zealand, and the public are excluded from large areas of the countryside. Unformed

legal roads and riverbank reserves are available in some areas but access is often impractical due to the terrain.

The route followed by the BPT is shown in Figure 1, which has been extracted from Wilson (1999). This helps to illustrate the round trip based on Akaroa, the hilly terrain and the connection with the coastal environment. While most of the BPT has been built across farmland there is around a quarter through mature or regenerating bush. The track is very well marked and steps have been built where the terrain is particularly steep.

Figure 1



Onuku Farm

In the late afternoon walkers are met by bus in the township of Akaroa, given a briefing and then driven to within 400m of the first night's accommodation. There are separate huts for 'two-day' and 'four-day' walkers. An evening meal is available at extra cost at a nearby farmhouse. The maximum daily numbers of trampers using the track is deliberately limited to the amount of bed space available in the huts. For two-day walkers this is currently four, and four-day, twelve. The track operates on a one-way system which has the advantage to walkers of minimising contact with other walkers. By most standards these numbers are low. The accommodation at Onuku Farm had gas stoves, solar powered electric lighting and a log burner. This landowner also operates separate backpack accommodation on the farm and also caters for mountain bikers and sea kayakers.

Onuku Farm to Flea Bay

As this section involves a steep climb an optional extra is pack cartage, an extra also available on the last day. One of the features of the BPT is that the landowners deliberately stay away from the walkers but are available in emergencies. The BPT is well marked and initially follows an existing farm track up towards the peak. Excellent views of the Akaroa harbour are available on clear days. Occasional seats are provided to encourage walkers to enjoy the views. The highest point on this day is frequently in cloud and one of the landowners has provided a shelter. Near the high point the landowner provides a drinking water tap for thirsty walkers. During the descent to Flea Bay the track has been routed away from open farmland to parallel streams and waterfalls that are fenced off from stock. These areas are quickly regenerating to native bush.

The accommodation at Flea Bay is in a 130-year-old farm cottage situated about 400m from the beach. This cottage is all electric with a hot shower, flush toilets and a log burner.

The main feature of Flea Bay is that the farmer landowner is passionate about wildlife, particularly the conservation of the white-flipped, Little Blue Penguin which has a significant presence in this bay. In season he gives talks about the penguins and shows walkers the penguins and the nests he has built for the birds. This adds considerably to the interest of the area. The New Zealand Forest and Bird Protection Society (2001) reported that 210ha of coastal water at Flea Bay will shortly be gazetted a Marine Reserve by the New Zealand government. This part of the BPT fits the Warren and Taylor (1994) definition of eco-tourism since walkers can interact with a relatively undisturbed natural environment and receive environmental education. A personal highlight for this author was renting a kayak from the landowner and paddling out to the mouth of the bay where we were met by a pod of dolphins that frolicked about the kayak.

Flea Bay to Stony Bay

This part of the BPT is relatively easy going following the coastal indentations across mainly farmland with a stop at Seal Cove to view the wildlife. The accommodation at Stony Bay is comfortable but “quirky” and shows the individual flair of the landowner. There is good use of farm material including macrocarpa timber and a variety of old farm tools to build a range of interesting buildings. The outdoor bath

heated by a fire is memorable. Stony Bay also features a small museum and a tiny shop where walkers can purchase food items and cold drinks.

Stony Bay to Otanerito Beach

This is another fairly easy day walking around the coastline with excellent sea views plus waterfalls at Sleepy Bay. The accommodation at Otanerito Beach was in the front part of a farmhouse with flush toilets, gas cooking and log burner. A safe swimming beach is about 50m from the house.

Otanerito Beach to Akaroa

The main feature of the last part of the BPT is that walkers traverse the Hinewai Reserve which occupies most of the Otanerito Valley. Johnston and Green (2000) note that Hinewai is a network of 12km of tracks from 20m to the 806m summit of Stony Bay Peak. The reserve is managed privately for the protection and restoration of native vegetation and wildlife. At lower levels a remarkable regeneration process is occurring where the native vegetation is gradually overpowering 2m high gorse. At higher levels the native beech forest dominates. The BPT walkers appreciate the forest as they climb the hills and the conservation effort is enhanced by the publicity creating a mutually beneficial situation.

The last part of the BPT is a steep descent from the summit to the car park at Akaroa.

BPT Administration

The BPT operates as a privately owned company with the landowners as shareholders. There is a meeting once a month in Akaroa to deal with the company business.

According to Grocke et al (1998) there were several reasons for preferring the company structure. Firstly, the landowners have a legal liability to fee paying walkers under the provisions of the Occupational Health and Safety Act legislation as detailed by Collier and Harraway (1997). Setting up the BPT as a limited liability company gives the farm business some degree of protection in the event of someone suing the operators of the track for damages. Secondly, the company structure assists in the BPT decision-making process. Farmers are typically used to making independent decisions about their own farms, and there was a relatively steep learning curve in getting them to work together to form a consensus on BPT decisions. Thirdly, the company structure assisted the landowners in dealing jointly with Resource Management Act and Building Act requirements. Fourthly, the company structure assisted with overall quality management and safety issues relating to the standard of the walking track and the accommodation.

Lack of a long-term access agreement to the track is a potential weakness with the structure. Up until the end of 1999 the BPT only had informal agreements with the landowners giving access rights to the track. For 2000 each landowner signed a one-year agreement for access. If any landowner pulled out the BPT track would have great difficulty in continuing to operate. This is another reason why decisions must be made by a consensus of all shareholders in BPT rather than having majority decisions.

Perhaps the reason why the BPT has been successful is that there is a strong financial incentive for the landowners to co-operate. For example, the base payment for a landowner is currently around \$10,000 per annum. The actual amount of the payment is a function of the annual number of walkers. One landowner that has only a short

stretch of the BPT receives the \$10,000 per annum and in return only has a maximum 1-2 days of track maintenance each year. Farmers offering accommodation would gross an additional \$50,000-\$60,000 per annum (depending on shop sales and if the stop was for both two and four-day walkers or four-day walkers only).

The main ongoing costs are time costs as the accommodation has to be cleaned and restocked each day before the next group of walkers arrive. For seven months of the year this chore does act as a real tie for the farming families who often find it hard to get away from the farm for more than a few hours. The change over time in landowners' attitude to the BPT is summarised from Hamilton (1998). According to Hamilton, initially landowners saw the track as a waste of land and many feared disruptions to their farming activities. Hamilton went on to say when landowners came to realise the walkers were bringing in more than the wool cheque they became more enthusiastic.

Other Private Tracks

The success of the BPT has encouraged the formation of a number of other privately operated walking tracks in New Zealand. The Kaikoura track has been in operation for several years and Sutherland (2000) has recently opened a track in the Catlins area of Southland. At least 10 more tracks are at the planning stage. However, it is unlikely that all the new tracks will succeed. The BPT does have a unique combination of spectacular coastal scenery, a marine reserve, a bush reserve, a round trip based on Akaroa, and the individual characters of each night's hut location.

The Southern Bays Track (SBT) is an example of a privately owned track on Banks Peninsula that failed. The SBT was modelled on the BPT with 12 beds available daily and three and four-day options available over 50km. The SBT also featured four well-equipped huts and a coastal route. Many of the landowners on both tracks were known to each other.

Interviews with a variety of Banks Peninsula locals and several property professionals all pointed to the withdrawal of access, by at first one, and then a second landowner as being the main reason for the demise of the SBT. In addition the SBT was over even more challenging terrain than the BPT and this may have kept a number of potential walkers away. Also, SBT landowners had more difficulties than the BPT landowners when getting the necessary approvals to construct new accommodation.

Crowding in National Parks

The great walking tracks in New Zealand are typically found in National Parks. Walks such as the Abel Tasman, the Milford Track, the Routeburn, the Heaphy, the Greenstone and the Kepler are world famous and attract many overseas tourists. On some tracks the capacity of huts exceeds the number of walkers and results in crowding. According to a survey of park users by Cessford (1997) crowding is the main negative in National Park facilities. Although there has been a booking system on the Milford Track for a long time, the Department of Conservation (2000) advise that bookings are now also needed on the Abel Tasman, Routeburn and Lake Waikaremoana tracks. Herein lies the advantage of private tracks. By limiting the number of people on the BPT to the bed capacity, walkers always know they have a bed and do not have to race ahead to the next hut. The standard of accommodation on

private tracks such as the BPT tends to be higher than the huts in National Parks and there is not much difference between the basic daily cost of walking in a National Park or private track. Additional services such as pack cartage is absent in almost all National Park options. Survey work by Grocke in 1998 revealed that two-thirds of walkers on the BPT were female. Women were likely to be in the 45-65 age bracket, married and working in managerial and professional occupations. Over 60% of walkers on private rural walkways were aged over 50 years. Grocke found that New Zealanders comprised over 70% of private walkers but under 20% of walkers on the 'great walks' in National Parks. The provision of support services on the private tracks and the reasonable costs may contribute to the higher participation rates.

Subdivision and New Owners

One of the worries that the BPT landowners have is what will happen to the track if one of them sells out or subdivides. To date there have been very few sales of land on the track. One sale that did occur last year was a small hill country farm including a short section of the BPT. Local opinion was somewhat divided on just how much the cash flow from the track contributed to the sale price because the buyer was a German purchasing for lifestyle considerations. Certainly, on the basis of the high price paid per stock unit, cash flow from the track seems to be a factor, but it is not clear if the overseas buyer would have paid the price regardless of the BPT. Where farms also offer accommodation, the opinion of the rural property experts interviewed was unanimous, the \$50,000-\$60,000 gross income from accommodation must have a major positive contribution to farm value.

The issue of the landowners subdividing a 400ha farm into 4ha-20ha rural lifestyle blocks has not yet arisen, but it is probably only a matter of time as there is

considerable rural subdivision on Banks Peninsula, and the District Council (1997) has made it clear that the District Plan permits subdivision in appropriate circumstances. The danger of further subdivision along the BPT is that there will be more landowners to deal with and the new owners may have different objectives to the current landowners. Rural lifestyle subdivision will tend to bring in people who live in the district but work in town. Also, the quality of the BPT experience could be potentially downgraded if the landscape ends up with more houses, farm buildings, farm roads, power wires and pine trees.

Summary and Conclusions

Rural tourism offers opportunities for some farmers to diversify their farm enterprises and increase cash flow. The BPT is an example of how a group of farmers utilised the natural scenic and wildlife attractions in their area to successfully create and operate the first private track in New Zealand.

Focusing the rugged individualism of a group of hill country farmers on their common goals as BPT shareholders has been a challenging task. The private company structure utilized by BPT and consensus decision-making has assisted in overcoming some of the difficulties. Another factor appears to be that the farmers' wives are often the people running the day-to-day BPT operation whilst their husbands are left to run the farm. Perhaps the wives appreciate the track's social requirements and enhance the cooperation.

Some of the families have farmed in the district for several generations and have very strong ties with the Banks Peninsula community. Cash flow from the BPT has enabled them to achieve their objective of remaining on the farm.

The future success of the BPT is contingent on the landowners continuing to cooperate and work together. The lack of long-term access agreements between the landowners and BPT Limited is a weakness in the structure and should be addressed as soon as possible. Currently there is a strong financial incentive for landowners to cooperate but this may not always be the case if a wealthy new landowner valued privacy and solitude more highly than cash flow.

The way the BPT is operated requires little interaction between the landowners and the walkers. Most of the walkers do not get to meet a landowner, even at the huts. Thus, there is less pressure on landowners to acquire the people skills needed by other rural tourism operators such as tour bus drivers.

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