

Submission on Local Government Funding and Financing



Te Horonuku Mountain Sports Club

Introduction

Te Horonuku is a mountain sports club that owns a lodge on the Whakapapa skifield at Mt Ruapehu. The club was founded in 1966 and has continuously operated since then providing members with lodging facilities on the mountain throughout the winter season. We take great pride in our unique location within the Tongariro National Park and in the services we are able to offer our members.

Summary Response

Te Horonuku supports the general direction of the Productivity Commission's draft report and in particular, we welcome recommendation 6.8:

'The Government should provide funding from the international visitor levy for councils responsible for small tourist hotspots which cannot reasonably recover all their operating costs of providing mixed-use facilities from tourists through user pays or accommodation levies.'

We would like to see this recommendation extended to situations where the facilities are provided by central government, but charged to local residents. E.g. Where a central government agency (in our case DoC) is acting in the capacity as a local council.

Unique Situation in Whakapapa Village

Whakapapa village fits under the definition of a *'small tourist hotspot which cannot reasonably recover all their operating costs of providing mixed-use facilities from tourists through user pays or accommodation levies.'* This is due to the large majority of visitors staying outside the village, which has limited accommodation, thus a 'bed tax' will not recover all costs imposed by visitors.

However, Whakapapa village is unusual in that the services (water, roading, rubbish, etc.) normally provided by a local government entity are provided by a central government entity (the Department of Conservation). All costs for the services are recovered from residents of Whakapapa village, however as stated above, the usage of these facilities is predominately by visitors from outside of the village – those accessing the Whakapapa Skifield. As such, Te Horonuku is supportive of the Productivity Commission's recommendations but wishes to see these explicitly expanded to include the unique situation that our club finds itself in.