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Media Release

Investment in tourism infrastructure crucial

Ongoing investment in tourism infrastructure is crucial to the long-term sustainability of the industry and a coordinated national approach is needed, Tourism Industry Aotearoa says.

TIA has welcomed the report* on options for funding local and mixed use tourism infrastructure released today.

"We are looking forward to hearing the views of industry members, and to engaging with the Government as it considers the report," TIA Chief Executive Chris Roberts says.

"The infrastructure challenge has many dimensions and the best outcomes will come from the industry and government both contributing to identifying and implementing the solutions.

"A national solution is far preferable to a range of local and regional approaches."

TIA is conducting a National Tourism Infrastructure Assessment, examining the full range of infrastructure challenges and where the priorities might lie.

Results of the Assessment are due to be released in early 2017 but Mr Roberts says it is clear that some of the biggest challenges lie with mixed and local use infrastructure such as car parking, toilets and access roads.

The report released today has focused on this subset of the broader infrastructure picture, and proposed a funding solution. National infrastructure (airports, ports, highways, telecommunications, public transport) and privately owned infrastructure (accommodation, convention centres, restaurants and cafes, private transport and attractions) have been excluded.

TIA expects the funding proposals in the report to be well debated.

"Many popular visitor destinations have low ratepayer bases which can make it challenging to fund the levels of infrastructure needed to support tourism.

"Tourism's growth has certainly delivered a significantly increased tax take for the Government. There are opportunities for greater user pays and better use of council balance sheets. But there is also a valid argument that the industry and its customers should contribute to ensuring tourism can sustainably grow," Mr Roberts says.

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“As well as funding, the solution needs a robust governance and allocation process, as put forward in the report. The funds must be ring-fenced for tourism-related infrastructure and not siphoned off for other purposes.

“We have shown in recent years that partnerships and coordination produce the most sustainable and successful outcomes for growing tourism’s contribution to New Zealand’s economy. Tourism operators, central government, local government and their communities all benefit from tourism and we are all motivated to ensure its sustainability.”

** The four industry leaders who commissioned the report are or were TIA Board members, but TIA was not directly involved in development of the report.*

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KEY FACTS

- Tourism in New Zealand is a \$95 million per day industry. Tourism delivers around \$40 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$55 million in economic activity every day.
- Tourism is New Zealand’s biggest export earner, contributing \$14.5 billion or 20.7% of New Zealand’s foreign exchange earnings (year ended March 2016).
- 13.2% of the total number of people employed in New Zealand work directly or indirectly in tourism. That means 332,322 people are working in the visitor economy.
- The [Tourism 2025](#) growth framework has a goal of growing total tourism revenue to \$41 billion a year by 2025.

Visit www.tia.org.nz for more information

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