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Media Release

Long term plans recognise benefits of tourism

Most local authorities are recognising the opportunities and benefits of tourism when making long term plans for their communities, says Tourism Industry Aotearoa.

However, some councils are overlooking the benefits tourism can offer or are failing to plan for tourism growth.

Over the last two months, TIA analysed and provided feedback on more than 70 city, district and regional council draft 2018-2028 Long Term Plans.

TIA Chief Executive Chris Roberts says it was a major undertaking but has provided some valuable insight.

“It was important we undertook this mammoth exercise as local councils are a significant player in the \$36 billion tourism industry – an influencer, enabler and occasionally a barrier to regional tourism activity.”

Mr Roberts says while a large focus of councils is on core activities such as roads, water and waste, the LTPs provide insight into the economic development priorities in each region. Encouragingly, many councils recognise tourism as a positive and important contributor to economic development activity in their region.

“Examples include funding for cycle trails, town revitalisation, tourism related developments such as the Taranaki Crossing project, and support for events to attract visitors.

“Notable wins in the LTPs include a \$1.26 million annual funding boost over three years for tourism promotion and attracting major events in Christchurch, and a \$620,000 (48%) funding increase for Tourism Bay of Plenty, which will enable it to focus on destination planning and sustainable visitor growth.

“The picture is not entirely positive, however. In particular, in some LTPs tourism barely rates a mention, and too many councils are failing to plan for forecast growth in visitor numbers.”

Mr Roberts says international and domestic travellers are making an important contribution in every town and city in New Zealand, from Kaitaia to Stewart Island.

TOURISM INDUSTRY AOTEAROA

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“Our submissions to the draft LTPs emphasised the value of tourism to regions, what the tourism industry is doing to deliver greater benefits to communities and address challenges, particularly around visitor growth and pressures on infrastructure.

“We also highlighted opportunities for local government to generate even greater sustainable benefits from visitors.”

TIA’s LTP submissions also lobbied strongly against the introduction of unfair and poorly designed targeted rates, such as the one Auckland Council introduced via its annual plan last year targeting commercial accommodation providers.

“While new targeted rates have been introduced in a number of plans, these were largely well designed, with the additional rate burden spread equitably across all beneficiaries of economic activity, including commercial and residential ratepayers.”

Mr Roberts says some councils are continuing to grapple with a rating system for new forms of tourism activity such as Airbnb and TIA looks forward to working with them to shape rating systems that are fair.

“We recognise the need for councils to find new ways to relieve the pressures of strong visitor growth and invest in new infrastructure.

“We are advocating to Government that the proposed International Visitor Tourism and Conservation Levy is directed into priority areas where it can do the most good.

“The Productivity Commission is also about to initiate a review of the local government funding structures and has said funding for tourism could be within the scope of this inquiry.”

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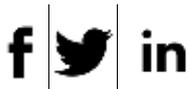
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KEY FACTS

- Tourism in New Zealand is a \$99 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 \$59 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 2017).
- 14.5% of the total number of people employed in New Zealand work directly or indirectly in tourism. That means 399,150 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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