

## Concession relief supports tourism survival

The waiving of Department of Conservation concession fees for 15 months is a huge relief for hundreds of tourism businesses, and will support their survival and recovery, Tourism Industry Aotearoa says.

The Government has announced that around 1000 tourism concessionaries who operate on public conservation land will not have to pay activity based, management or monitoring fees from 1 March 2020 until 30 June 2021. DOC will receive \$25m from the Tourism Recovery Package to compensate for the lost income.

"We are delighted that the Government has listened to our requests for DOC to relieve the cost pressures on concessionaires who are facing tough times through no fault of their own," TIA Chief Executive Chris Roberts says.

"Government fees and levies add to the stress that tourism operators are facing. Today's announcement complements the broader business support measures the Government has already put in place."

A relief package was discussed with TIA last week and today's announcement largely reflects what TIA asked for. DOC has also advised TIA that the department will work on a case by case basis with any tourism operator struggling to meet fee commitments incurred prior to 1 March, on options like payment plans.

TIA would like this flexibility extended to situations where DOC acts in a local authority role, such as Mt Cook Village.

TIA is also pleased that DOC is being compensated for the loss of concession income through a grant from the \$400 million Tourism Recovery Package.

"DOC needs sustainable funding so it can fulfil its responsibilities as a central player in the tourism system, without compromising its core role of growing conservation."

Adequate funding for DOC will be a vital component of New Zealand's recovery from COVID-19, Mr Roberts says.

In the longer term, TIA also wants New Zealanders to be released from having to pay concession fees.

"At present, Kiwis are paying twice for access to the public conservation estate if they go with a concessionaire – once through the general tax system, and again through the DOC concession component of the ticket price.

"Removing this cost would help stimulate domestic demand as operators could pass the savings on to their clients."

## **TOURISM INDUSTRY AOTEAROA**

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## **KEY FACTS**

## Prior to the COVID-19 pandemic:

- Tourism in New Zealand was a \$112 million per day industry. Tourism delivered around \$47 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributed another \$65 million in economic activity every day.
- Tourism was New Zealand's biggest export earner, contributing \$17.2 billion or 20.4% of New Zealand's foreign exchange earnings (year ended March 2019).
- 14.4% of the total number of people employed in New Zealand worked directly or indirectly in tourism. That means 393,279 people were working in the visitor economy.
- The Tourism 2025 & Beyond sustainable growth framework/Kaupapa Whakapakari Tāpoi has a vision of growing a sustainable tourism industry that benefits New Zealanders.

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