

## Media Release

# Ruapehu long-term plan clear-sighted and sensible says tourism industry

Tourism Industry Aotearoa is commending the Ruapehu District Council for its clear-sighted recognition of the current and future value of tourism to the region and for preparing for the growth opportunities that tourism offers.

TIA has expressed its support for the Ruapehu District Council's Draft Long-Term Plan 2018-2028, which includes extending the region's 'Great Ride' Nga Haerenga cycleway network.

"Advocating for new walking and cycling opportunities is a good way for the Council to turn Ruapehu into a year-round tourism destination and to increase visitor numbers, grow jobs, incomes and opportunities," says TIA Chief Executive Chris Roberts.

TIA is also acknowledging the proposed changes to how the Council raises funds for tourism promotion.

Currently, Visit Ruapehu, the district's regional tourism organisation (RTO), and Ruapehu's i-SITE network are funded by a 'RTO' rate levied on all ratepayers. The Council is proposing to replace this rate with an Economic Development Targeted Rate which will collect 60% of its revenue from general ratepayers and the remaining 40% from properties that are rated as commercial or industrial. The new rate will fund both Ruapehu's tourism and other economic development activities.

Mr Roberts says that "the Council wants to ensure that the costs of economic development are shared equitably throughout the community, and the tourism industry supports this. A sensible funding mechanism is central to the sustainability of tourism promotion by local government, and by extension the sustainability of the industry and the benefits it provides for communities."

The Council is also planning to bring properties that are listed on peer-to-peer accommodation websites like Airbnb into the scheme by charging owners of these properties a fixed \$200 annual rate.

"Owners of properties that are rented out to visitors benefit from tourism like other businesspeople in Ruapehu District. There needs to be a level playing field for them and traditional providers."

#### Go here to read TIA's submission:

https://tia.org.nz/assets/Uploads/TIA-submission-Ruapehu-District-Council-LTP.pdf

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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 <u>Tourism 2025</u> growth framework has a goal of growing total tourism revenue to \$41 billion a year by 2025.

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