



ECONOMIC DEVELOPMENT
NEW ZEALAND

Via email: tourism@mbie.govt.nz

MBIE Tourism Policy
PO Box 1473
WELLINGTON 6140

Dear Sir / Madam,

SUBMISSION ON THE AOTEAROA NEW ZEALAND GOVERNMENT TOURISM STRATEGY

Please find attached a joint submission from Economic Development NZ (EDNZ) on the draft Aotearoa New Zealand Government Tourism Strategy.

We commend the Government for developing this Strategy and appreciate the opportunity to provide input.

Please note that we would like to be invited to any hearings or further discussions that come out of the consultation process.

We look forward to working with you to achieve the Strategy's objectives.

Yours faithfully,

Susan Houston
CEO
Economic Development NZ

1.01.2019

About EDNZ

EDNZ is a not for profit, membership-based organisation committed to empowering and supporting economic development professionals. Our members include the CEO's of the 14 regional economic development agencies, Regional Tourism Organisations, MBIE, NZTE, various councils and consultancies.

For more information on the vision, goals and values of EDNZ please [follow this link ...](#)

EDNZ responses to draft strategy

1. EDNZ is of the view that Central Government should provide strong leadership, assistance and planning within the tourism eco-system, and wherever possible empower and resource the regions, from within the regions. Weaknesses in the system are driving a growing gap between over-touristed destinations and other regions of New Zealand, and Central Government is well placed to address these weaknesses.
2. Forward predictions indicate that New Zealand's international and domestic visitor markets will increase significantly. As a result, there is a need for better regional approaches to destination management and promotion.
3. Smaller regions with lower rate payer bases struggle to compete with larger regions which have integrated and well-funded approaches to both destination management and destination marketing. If smaller regions are not supported and empowered from a national level, the gap will widen and smaller regions will miss out on opportunities to add value to their respective tourism industries. This will result in a lack of flow-on benefits of market value growth.
4. At present New Zealand is promoted to the world through national agencies, including Tourism New Zealand (TNZ). TNZ facilitates opportunities for regional promotion, but resourcing restraints make it challenging for regions to support, leverage and progress TNZ activity. It is critical that RTOs are well funded and adequately resourced to make the most of tourism development opportunities.

EDNZ would support a co-investment fund be made available by Government for RDAs/RTOs to:

- Address existing funding/resourcing issues;
- Prevent funding cycle inconsistencies; and
- Ensure that regions can prepare for and respond effectively to the growing visitor market.

Government is best placed to contribute to this fund – dollar for dollar with other RTO/RDA funders.

5. Comprehensive, credible and reliable tourism data is seriously lacking. As a country and at a regional level there is more of a focus on destination management, infrastructure and product development. Quality, accessible data is essential for forward planning. Deepening understanding of visitor flows enables more informed decisions on both product and infrastructure development – and it's critical to the sustainability and success of the tourism industry.

Most EDA/ RTO's are purchasing a range of fragmented data which is helpful but without a national benchmark framework often difficult to translate into a commercial / financial model for investment or prioritisation.

We suggest an industry group be formed made up of various tourism eco-system players to identify the major data gaps and create a plan.

6. Maori culture, from a tourism perspective, is truly unique to New Zealand. The tourism industry has a responsibility to deliver authentic Maori experiences that empower Maori to tell their own stories and enable Maori to participate in the sector. In smaller, more remote communities, the tourism industry provides

significant economic benefits to Maori, leading to wider benefits and overall improved community well-being and sustainability.

We feel there needs to be more Maori representation in tourism leadership positions and within our national marketing agency, particularly as Maori culture will continue to be a key driver of tourism growth.

7. The five outcomes outlined are comprehensive and support the delivery of economic benefits for New Zealand. They also support the protection and enhancement of the natural, cultural and historic elements that make New Zealand unique.

EDNZ believes that addressing regional dispersal and seasonality should be the key focus of the work programme. These can be best addressed firstly by empowering and supporting the regions of New Zealand to assist with destination management and marketing.

A more collaborative approach across Government agencies is essential. Regional Development Agencies and Regional Tourism Organisations across the country incorporate International Education, Major Events, Conference & Incentive and tourism in Destination team activity as there are synergies and cross-over between the different areas. It seems at a national level a number of these functions are siloed, ie: there is no reference to International Education in the draft strategy. We think more integration and collaboration is needed. Additionally, strengthening the key emphasis on empowering and resourcing the regions.

8. The following specific feedback is provided.

We are of the view that the document would benefit from the following:

- a) Being more direct and specific with clear definitions of terms provided such as Destination Management, Productivity, Quality Jobs etc.
- b) Clarification of the benefits to New Zealanders of increased tourism growth and how these benefits will be achieved.
- c) Inclusion of the impacts and benefits of the tourism industry in the system diagram.
- d) Acknowledgement of the value of and need for social licence.
- e) Replacement of the Strategy's overarching aim with "New Zealanders' lives are improved by tourism", putting New Zealanders at the front and centre of the system diagram.
- f) Taking into account the impact on other industries when tourism policy is developed and implemented, to ensure there are no unintended consequences (e.g. a de-emphasis on backpackers could cause a shortage of seasonal workers).
- g) Addition of a goal to inspire international visitors to support New Zealand products and services both here and when they return home.
- h) Finalising the Strategy only after the report from the Parliamentary Commissioner for the Environment on the environmental impacts of tourism is published and the report's recommendations have been considered.
- i) Provision of examples as to how the Government plans to support the travel industry/tourism sector move towards a low/zero carbon future.



ECONOMIC DEVELOPMENT
NEW ZEALAND

- j) Inclusion of a goal to boost tourism-related profits and wages earned by New Zealanders, including the minimum of the living wage and better working and living conditions for people employed in the tourism industry.
- k) A consideration of the profit margins of New Zealand-owned and operated visitor-related businesses when measuring growth.
- l) A consideration by central government to support and develop innovation initiatives such as the Tourism Innovation Lab.
- m) Expansion of the definition of the tourism sector to include New Zealand-based tourism products and services sold globally, adding these businesses to the system diagram.
- n) Consideration of the role of government in supporting the growth of this niche industry.
- o) Adding “A genuinely sustainable tourism industry for New Zealand” as a separate outcome.
- p) The strategy doesn't address or mention the educational visitor market.
- q) It is vital that the importance of region be incalculated in the strategy since visitors do not recognize borders within regions.
- r) Potentially measuring the role that tourism plays in attracting business and immigrants.
- s) Provide more timely data and insights to the Tourism sector that enable better quality investment and reinvestment decisions. For example: Improved methodology of international expenditure data, data capture from non-traditional sectors (Airbnb and Bookabach, Campermate) to provide more accurate view of overnight stay numbers.
- t) Consider how the strategy enables better planning for infrastructure and facilities based on estimated tourism numbers.
- u) Robust alignment to vital education components of the industry such as pathways to tourism careers

EDNZ very much appreciates the opportunity to contribute to the development of the tourism strategy. The response has been developed following consultation with our constituents and with the much-appreciated support of the following EDNZ members:

- Queenstown District Lakes Council
- Destination Rotorua
- Northland Inc
- ATEED
- Central Economic Development Agency
- Venture Taranaki
- Enterprise Dunedin

EDNZ has in the past taken a stronger role in the development of the strategy, being a part of the steering committee charged with the review. We would welcome the opportunity to reinstate that commitment to supporting MBIE in its strategic review role.