

Minister of Tourism Kelvin Davis - TRENZ speech to media – 10 May 2018

Introduction

Tourism is an economic bedrock. It's our biggest export earner, employs hundreds of thousands of people, and the industry is the world's window into our beautiful country.

Tourism is the face of New Zealand and our people are its beating heart.

We're proud of what we have to offer the world.

We go on about our landscapes but other countries have forests, mountains and beaches.

What makes New Zealand special are you – our people. Thank you on behalf of all New Zealand for the work you do to put New Zealand on the map.

You make people feel good; you make people feel welcome; and you make people return home and tell others to also visit.

You create the businesses; you create the jobs; you create the excitement; and you create the thrills, food and wine.

You tell the stories. You make New Zealand an international destination of choice and you create the opportunities we all enjoy.

Thank you.

And thank you to Chris Roberts and TIA for the invitation to speak today. Congratulations on a fantastic event.

The city of Dunedin and Mayor Dave Cull has really gotten in behind TRENZ.

The latest Mood of the Nation survey showed New Zealanders welcome visitors and are proud of New Zealand as a tourist destination.

96 per cent of Kiwis believe international tourism is good for New Zealand.

That said, many Kiwis are still question our capacity to sustain tourism growth. We can and we will.

Visitor numbers are forecast to increase by 37% - reaching 5.1 million by 2024. I say bring it on.

Government, councils and the industry have work to do. It's important work and do it we will.

The strong growth in visitor numbers has delivered many benefits to communities across the country, including better jobs, better transport links and better services and amenities.

That is the good that tourism does, for all parts of the country.

For growth to be sustainable we need to ensure the tourism system functions well and we must anticipate and meet the challenges head on.

The Government has a vision for successful tourism – we want to support the sector, councils and industry to succeed even further.

Vision of a successful tourism system

Tourism will enrich New Zealand through productive, sustainable and inclusive growth.

We need a flow of high-value international visitors throughout the year, from a wide range of markets, who visit more of our regions – because we want to spread the benefits from tourism across New Zealand.

We want the sector and regions to have what they need to make the most of our rising popularity – that is: the right funding mechanisms for infrastructure and services; and a workforce with the right skills, knowledge and attitude to work in tourism.

We want visitors to go away raving about their New Zealand experience, about our tourism sector; and about our environmental, social and economic successes.

Over the last decade the emphasis has been to welcome as many people as possible – and our infrastructure suffered.

We want quality as well as quantity. We can handle both, but we need to do it together.

We can resolve the issues that worry us. We can protect our environment, our communities, improve our infrastructure – and still deliver memorable experiences for our guests. But let's do it together.

We are all part of the same team. We have different positions but we all believe in Team Tourism.

There are huge opportunities for Māori and non-Māori tourism businesses to flourish off our unique language, culture and stories.

Māori tourism operators should lead and innovate, and they should be a resource for other operators to partner with. The Government is keen to support this.

Current challenges

There is a lot of innovation and creativity in our tourism sector.

TIA has the Tourism Sustainability Commitment. This commitment encourages businesses to pay a fair wage, engage with their local communities, and minimise environmental footprints. I applaud the ambitious goal to get every local tourism business to commit to sustainability by 2025.

We still have challenges that prevent us from achieving our shared goals for tourism.

One public concern is the burden on communities and ratepayers to pay for tourism-related infrastructure.

The seasonal and regional travel patterns of our visitors mean that the gains from tourism are not spread evenly across the country.

Overcrowding, and the resulting environmental problems are the opposite of how we both see ourselves as a destination, and how we want to be seen and remembered by international visitors.

It's a problem at peak times – but the negative perceptions persist and I don't want our environmental and tourist reputation damaged.

Some of our policy settings, such as the Freedom Camping Act, were developed at a time when New Zealand was focussed on attracting more visitors, so need to be looked at in light of the high visitor growth we have experienced and our new reality.

The forecast growth in tourism will make the challenges more acute, and we risk a hardening of New Zealander's attitudes towards tourism.

What Government is doing

The challenges to a sustainable tourism vision won't go away on their own, but neither are they unsolvable. We are doing a lot.

To resolve infrastructure and funding issues, the Government is looking at options for a levy on international visitors.

There are several issues to figure out: who to include, who to exclude, how to collect, where to collect, how much, who it should go to, and so on.

A targeted levy is not straightforward to implement, but it's our Government's view that international visitors should contribute to the infrastructure and services they use, and to help maintain our Conservation Estate. We continue to work through the details and many of you in this room will be part of this conversation.

The Government is committed to continuing the Tourism Infrastructure Fund of \$25 million a year for four years, with the second funding round to close next week. I have also directed officials to look at the criteria for the TIF. The purpose is for it to help, not restrict, infrastructure plans.

The Government has a leadership role to make sure we manage freedom camping. To do this we are working with the tourism industry and local government to find solutions that work.

We have set up a freedom camping working group that includes industry and local Government representatives but is small enough to be nimble and work quickly.

And we need to work quickly. I intend to have some practical actions in place ahead of the next peak season.

The issues around freedom camping are complex and require a well-considered response – what works for one community doesn't necessarily work for others. Some management strategies will take longer to implement and will require changes to legislation.

I know we all talk about it as "freedom camping" – I see it more as "responsible camping". I think a name change is in order.

As Stephen England-Hall mentioned on Tuesday, Tourism New Zealand is starting a new stream of 'destination readiness' work that will provide guidance to industry and communities on how to prepare for growth so that tourism delivers more value for both visitors and New Zealanders.

This work includes telling tourism's positive stories to New Zealand – and there are so many of them. Tourism NZ will also provide more visitor data to inform regional planning and investment decisions. These are kind of smart steps we must take to capture the exciting growth opportunity in front of us.

Our Government is committed to the regions.

Tourism represents a major opportunity to create sustainable jobs and economic growth.

Tourism is the one industry that traverses urban and provincial New Zealand.

\$35 million has been invested in tourism related projects through the Provincial Growth Fund so far and that is just a start.

The funding includes infrastructure projects, attraction development and will promote our unique culture and heritage.

And there is plenty of scope for the Government to invest further in tourism through the PGF. Watch this space.

What local government and industry need to do

Central government works to support tourism but councils and the sector are also part of the team.

Together we must deliver the sustainable and inclusive growth we all want to see.

Local authorities and industry need to plan for visitor growth and manage their destinations - not just market them.

We need broader destination plans, which clearly articulate how a region will develop as a visitor destination, and which has the support of local communities. This will also inform us of how Government funding could be used more effectively.

Collaboration, not competition, between regions is also necessary.

For example, Tourism NZ has worked with the Wellington, Tasman, Marlborough and Nelson RTOs and operators to become more "China ready". This involved the development of product and itineraries that interest Chinese free independent travellers to get Chinese to visit in the off-peak seasons.

This is a great example of how regions can work together and I understand that a number of operators have seen more Chinese visitors since the campaign started.

The Great Southern Tourism Opportunity is another example of regional collaboration and I was pleased to be able to speak to that group of mayors and operators in November.

Most of you will know that tourism is not seen as a viable career for many young people – due to low wages, irregular or unsocial hours and unclear career pathways.

This is something we need to work on.

A professional tourism workforce and quality jobs are crucial for our regions and the long-term sustainability of the sector.

It will be particularly important, given the forecast growth, to ensure businesses have the labour and skills they need to continue to deliver a high quality visitor experience.

The Government will look to support industry initiatives to address these issues in partnership with the sector.

Tourism collaboration is essential for continued success.

We are fortunate to have providers like QRC's Resort Colleges in Queenstown and Northland. The training and pastoral care for tourism and hospitality students, as well as paid internships, has been a success.

The opportunities that young Northlanders are now experiencing because of tourism would have been a pipe dream just a few years ago.

This is the power of tourism. It is the power of collaboration. It is the power of an industry that has people at its heart.

Let's all find ways to support young New Zealanders in tourism careers and change not just their lives but the lives of the visitors to our country they interact with.

Conclusion

We all have aspirations for tourism.

The impact tourism has on the social, cultural and economic wellbeing of our country cannot be understated.

The work you do creates opportunities for our visitors but equally for our communities and our tourism workforce.

My ambition is to work collaboratively with councils and industry to ensure tourism is sustainable and enriches the lives of New Zealanders - whether through creating quality

jobs, providing development opportunities for Māori, and helping protect our natural environment.

Working together, I am confident we can achieve these goals.