

Aotearoa New Zealand Government Tourism Strategy –Draft

Submission by: South Canterbury Chamber of Commerce

PO Box 919

Timaru

Email: wendy@scchamber.org.nz

Phone: 03 6872733

Submission from the South Canterbury Chamber of Commerce:

Introduction:

The South Canterbury Chamber of Commerce (SCCC) appreciates the opportunity to make a submission on the Aotearoa New Zealand Government Tourism Strategy and welcomes the focus that is being attributed to tourism.

Encompassing the districts of Mackenzie, Timaru and Waimate, SCCC is the recognised and respected voice of the business community with 520 member business organisations amongst thousands of businesses that we support, advise and mentor across the district every year.

Our three districts are at the heart of New Zealand's tourism industry and an integral part of the compound annual tourism growth of 7% in the last five years and the overseas visitor spend of over \$14 billion in the year to March 2017.

The Mackenzie District is frequently used as the poster child in international marketing campaigns with iconic attractions including Lake Tekapo, The Church of the Good Shepherd The Dark Sky Reserve and Aoraki Mt Cook. Mackenzie continues to achieve unprecedented growth with a 23% growth in guest nights year ending April 2018. This excludes all Airbnb data, freedom campers and private accommodation.

It is fully acknowledged that tourism brings a range of benefits with wide economic, social and cultural benefits however for small communities with insufficient infrastructure it also brings a wide range of challenges that requires government intervention and support. Without this intervention and significant financial support the reputation of our beautiful country is at risk and could be negatively impacted upon.

The government's over arching aim to "enrich New Zealand through sustainable tourism growth" is applauded however this also needs unpicking, the devil as always is in the detail.

What do you think about the Government's proposal to take a more active and deliberate role in the tourism system?

We fully support the governments intention of taking a more active and deliberate role in the complex and multi- layered tourism system. The previous stance of focusing primarily as an international marketing investor is now inappropriate and requires a more sophisticated

approach with a deeper understanding of the long term value of tourism and the support that is required to ensure New Zealand's clean green promise is delivered on.

The government does need to take a stronger stewardship and financially supportive role to deliver optimal outcomes.

What are the areas you think should be a particular focus?

Enhanced partnerships with local government, iwi and other stakeholders is desperately needed. The funding to be made available through the international visitor levy will be insufficient to provide the infrastructure support so desperately needed especially for those regional areas with low population numbers. The costs needing to be met by local government are unachievable and hence the strategy and the value proposition that New Zealand holds will be put at risk.

Under resourcing and the adverse impact of swamping the market places and iconic attractions with tourists can be seen globally. Residents/locals have now reached the tipping point in many countries with tourists reaching saturation points with opposition being visibly displayed through marches such as those seen in Barcelona. The impact of unregulated markets such as Airbnb is exacerbating the situation with an increasing number of tourists showing clear dissatisfaction with over crowding and lack of facilities (water shortages, effluent overflows, lack of rubbish collection – unfortunately the list goes on.

Along with the country's prosperity, New Zealanders lives and New Zealand must take priority and be looked after in the long term by sustainable well managed tourism.

A key focus of this strategy must be to support and fund infrastructure in partnership with local government. Basic operational services including roading, water, sewerage, waste water and bio diversity protection do not have sufficient focus in the strategy.

Are there areas where the Government's role should be limited?

The current strategy has too strong an emphasis on off shore promotion and volume tourism and now requires adjustment to enable funding in other key areas with a focus on infrastructure development.

The operating environment has changed – this is a global and accepted trend.

The draft strategy proposes 5 tourism outcomes for government. Do you support these outcomes and are these the right outcomes to focus on?

Yes the tourism outcomes are supported however the re-order of these outcomes is recommended with an enhanced emphasis placed on New Zealand and New Zealanders. Examples of this include roading, in the Mackenzie District there is a clear need for enhanced safety requiring vision and action by NZTA to create scenic stopping bays and passing lanes.

Protection of iconic and natural sites is another critical area that requires a clear strategy and reasonable funding.

The strategy of focusing on niche markets and higher value tourists is essential and greater clarity is needed on how this will be achieved. Value over volume is essential although as reported the volume cannot be allowed to drop too low!!

This focus on high value tourism also needs to be directly linked to funded infrastructure development, where the users of these services far exceed the local population. This includes provision of clean water, effective environmentally sustainable waste solutions and preservation of our natural environment.

The strategy should be very clear that the protection of the environment and our communities is paramount. Industry standards may need introducing including pollution control and the opportunity to review freedom camping numbers, Airbnb operations and other areas of significant intensification.

The reference to a lack of a coherent visitor proposition that links all our regions is recognised; although the South Island has worked very positively in this space with “South” an effective and co-ordinated marketing initiative that sought to link the South Island regions throughout promotional activities.

Additional work and an associated strategy needs to be applied not only to filling the peak seasons but targeting the smaller towns who have capacity to absorb an increased number of tourists. The recent campaign for Northland is a great example; and in the central South Island the Timaru District has the capability and the infrastructure to comfortably double the visitor numbers and be recognized as an “Emerging” destination. Co-ordinated regional campaigns that incorporate these potential visitor markets are essential.

The relationship between local government and central government needs to be strengthened as central government sets the statutory and funding framework in which local Councils operate.

The strategy identifies an ambitious work programme for government. What are the highest priority actions from your perspective?

The highest priority is to enable local government to fund essential infrastructure development.

This requires a better understanding and monitoring of the actual flow of tourists as much of the current data provides indicative volumes. The Mackenzie District is a prime example of this as with limited accommodation the district experiences a double impact of high tourist numbers against a very small residency. With an extremely high ratio of day visitors who utilise the infrastructure BUT do not contribute financially as much as those visitors who stay over night.

What are the areas in this draft strategy that you think could be strengthened?

Assessing a related funding formula to enable ongoing strategic investment. Whether this is linked to GST generated by the industry or another tool.

Thank you for the opportunity to provide feedback, we look forward to working with the government to deliver the update Tourism Strategy for the benefit of all New Zealanders and New Zealand.



Wendy Smith

Chief Executive

South Canterbury Chamber of Commerce.