



**Submission to the  
Central Otago District Council  
on  
A New Cromwell Visitor Information Centre**

**2 November 2009**

## **Introduction**

1. This submission is from the Tourism Industry Association New Zealand (TIA), located in Wellington. If you wish to contact us regarding this submission, please telephone Simon Wallace, TIA Policy Manager on 04 494 1842 or 0272 489 375 or e-mail him at [simon.wallace@tianza.org.nz](mailto:simon.wallace@tianza.org.nz)
2. This paper begins by providing some background on the tourism industry and TIA, along with up to date statistics on how the industry is currently faring both domestically and internationally. The Association then provides some brief comments in support of the need for a new Cromwell Visitor Information Centre in central Otago.

## **Background on the Tourism Industry**

### **A bedrock of New Zealand's economy**

3. Tourism is a major contributor to the New Zealand economy that will always be here – and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. Thanks to our 100% Pure positioning, New Zealand is recognised as one of the most beautiful, unspoiled and scenic places on earth. 100% Pure signifies pride in our country, pride in our people and culture, and pride in the unique environment and experiences that New Zealand offers.
4. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean, green, pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.
5. If New Zealand Inc. is to continue to prosper, to attract investment and to raise its position in OECD rankings, then it is vital that the tourism industry, and the positive image it projects, remain strong.

## **Delivering Value**

6. Below is a snapshot of the economic value provided by tourism to the New Zealand economy.
  - Tourism contributes just over 9% of gross domestic product (GDP) as well as directly and indirectly employing nearly one in ten New Zealanders.
  - Tourism in New Zealand is a \$50 million per day industry. The New Zealand tourism industry delivers \$24 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$26 million in economic activity every day.
  - Tourism expenditure reached \$21.7 billion for the year ended March 2009. This represents 16.4% of New Zealand's foreign exchange earnings, with tourism second only to dairy as the country's largest export industry.

- Importantly, and despite more challenging times in the past 12 months, tourism remains one of New Zealand's largest foreign exchange earners and its contribution is felt at national, regional and local levels.

## **About Us**

7. TIA has been the lead association that represents the interests of about 1700 tourism businesses in NZ since the Association was first established in 1955. The businesses TIA represent cover a range of tourism-related activities – hospitality, transport, accommodation, adventure and activities, attractions and retail, as well as related tourism services.
8. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events and membership and business services. The TIA team is based in Wellington and led by Chief Executive, Tim Cossar.

## **Tourism Forecasts 2009-2015**

### *International visitors*

9. The tourism forecasts (international visitors) for the period from now until 2015 have been largely influenced by the global economic recession while the outbreak of influenza A (H1N1 or swine flu) has created extra uncertainty for the short-term outlook. The forecast for the next 6-12 months shows falls in most major markets, although this is partially offset by short-haul growth out of the Australia market. The outlook for New Zealand to 2015 includes:
  - A fall in visitor arrivals of 4.2% in 2009 and a slight recovery in 2010 with growth of 2.5%.
  - A strong rebound in 2011 with visitor arrivals up 6.5% driven by global economic recovery and the Rugby World Cup in the latter part of 2011.
  - A gradual return to growth out to 2015 with annual growth of about 3.5%.

### *Domestic visitors*

10. The recession continues to influence the travel patterns of domestic visitors as well. With less New Zealanders travelling overseas, there has been a temporary increase in domestic travel activity in 2009-10 and this has been positive for the tourism industry in the short-term.

## **Comment on new Cromwell Visitor Information Centre**

11. TIA welcomes the opportunity to comment on the central Otago District Council (CODC) proposal for a new Visitor Information Centre and i-SITE in Cromwell. We support the relocation of the Visitor Information Centre to the new site to Council owned green space on Murray Terrace beside the Traveller's Rest.
12. The Association believes the location of the current Cromwell Visitor Information Centre has the following limitations:

- It is difficult for visitors to find;
  - Its limited size and restricted layout detracts from the visitor experience
  - There is a lack of convenient parking close by; and
  - Buses cannot stop outside the Centre.
13. We think an upgraded and better located facility will have a wider economic benefit to the region. More visitors stopping off at a newly located Visitor Centre and using improved services will inevitably result in visitors staying in and around the region longer. This is good not only for tourism operators, but will benefit related businesses, for example, those in the hospitality and retail sectors. An increased profile by the Department of Conservation would also enhance the quality of the Centre.
14. While not only offering improved tourism services, it will be important that the new facility has improved public toilets and plenty of car parking spaces to enable visitors to stop. Improving the parking for large tour buses could also improve visitation to the Centre and the region. As a suggestion, we would also encourage the CODC to consider the provision of cafe or food services as we feel this is another motivation for people to stop.
15. The major concern we do have that is not made clear in the proposal document is the affects a newly sited Visitor Centre will have on businesses situated close to the existing site as well as the impact for the Cromwell Museum. TIA encourages the CODC to consider how it might mitigate these impacts for affected businesses.

## **Conclusion**

16. In sum, TIA supports the relocation of the Cromwell Visitor Information Centre and i-SITE. Overall, we think the new site supported by an upgraded and larger facility will encourage more visitors to stop. It will enhance tourism in the region, as well as boosting returns for related businesses. As noted in paragraph 15 above, we do urge CODC to consider the impacts the relocation will have for businesses located around the existing facility.

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 2 November 2009