

Tourism is core activity for local govt

By Tim Cossar, Chief Executive, TIA

Local government is a big focus for TIA this year.

We have council elections taking place in October – including for the new Auckland Supercity, which will fundamentally change the political landscape for the whole country.

And last week, TIA made a submission to the Local Government Act 2002 Amendment Bill. If it is passed in its current form, the proposals in this bill could also make some fundamental changes, especially to tourism.

The bill, championed by Local Government Minister Rodney Hide, calls for councils to stick to ‘core’ activities, like rubbish collection, sewerage and water provision. As the bill stands, those core activities do not include tourism or related activities.

As we all know, councils play a key role in their local tourism industry. In addition to providing basic public amenities used by both residents and visitors, councils provide financial support to regional tourism organisations (RTOs) and economic development agencies for destination promotion (estimated to be in excess of \$27 million).

Some authorities also operate visitor attractions such as museums, art galleries, gardens, events and sports stadiums. Increasingly, commercial interests are now involved in public/private sector partnerships or sponsorship arrangements with local government in the funding of such activities. In short, local authorities in various guises are a major investor in the tourism industry.

Tourism is a core activity for most communities around the country and councils can help them provide the best possible experiences to visitors. By helping attract visitors to the region and encouraging them to stay for longer, councils are boosting the economic contribution from the tourism sector.

Tourism provides employment and business activity directly and indirectly to many sectors of the community, including shops, supermarkets, cafes, taxis and food producers. Successful businesses in turn provide rating income for councils.

I note the bill comes at a time when central government has recognised the importance of tourism as an economic driver, with Prime Minister John Key holding the tourism portfolio. The Government has also committed an extra \$50 million to international marketing in the past two years, as well as making a significant investment in a national cycle trail likely to benefit many regions of New Zealand.

If this bill is passed into law, that would seem to create a fundamental difference of opinion between central and local government about the importance of tourism.

We will be making the point about the importance of tourism to communities in a document we are preparing for use around the local government elections. With the support of RTONZ, TIA is

planning to publish an information document, highlighting the value of tourism and ways that councils can work with the private sector to increase the returns from the sector.

This will be a major document for our industry, similar in impact to the highly successful Manifesto we produced in the run-up to the 2008 General Election, which resulted in Mr Key deciding to become Minister of Tourism. I look forward to sharing this with you.

Events

It was great to catch up with so many of you at TRENZ 2010. Feedback we have received so far indicates that most found it was a very successful event that will help create plenty of business.

We are now hard at work on planning for TRENZ 2011, being held in Queenstown for the first time. It is going to be quite a different event and we are very excited about its potential.

But before that, we have the relaunched Tourism Industry Awards www.tourismawards.co.nz I encourage you to consider entering these awards, the most prestigious in our industry.

We've taken a hard look at them and come up with some new concepts that reflect where the industry is at and where we want to go. So take the plunge and see how your business measures up!