



Supporting our tourism sector

National will work alongside New Zealand's tourism stakeholders to restore tourism to pre-Covid levels within the next five years.

Last year, tourism was one of New Zealand's largest export earners, generating a direct contribution to GDP of \$16.2 billion, or 5.8 per cent of GDP. Across the country, almost 400,000 jobs were supported through the New Zealand Tourism industry.

However, the industry was on the front line of the impact of Covid-19 border restrictions. The combination of border closures and local lockdowns have devastated the industry and placed tens of thousands of jobs at risk.

But the fundamentals of what made New Zealand tourism a success remain intact and will recover.

The men and women of New Zealand tourism have built an industry that is world-renowned through offering unique experiences and making visitors feel welcome. They are the heart of New Zealand tourism. The government should not try to replace their innovation or think it knows what is best.

Our tourism sector is predominantly made up of small businesses owned by hard-working New Zealanders, they, along with other Kiwi businesses, were feeling the effects of the Government's harmful business policies that imposed costs and eroded confidence long before Covid-19 hit.

National will be a true partner to our valuable tourism sector. We will build a vibrant and sustainable sector that is proud of what it contributes to New Zealand – supporting and creating jobs. We will continue to build social license for the tourism industry and support its contribution to New Zealand's economic growth story.

Our tourism policy will:

- Support New Zealand's largest export earning sector to get through the current Covid-19 crisis.
- Enable our tourist centres to build capacity so our tourism industry can rebuild its potential once Covid has passed.
- Ensure otherwise viable tourism businesses continue to operate so that we can make the most of the international tourism rebound when it comes.
- Cut through bureaucratic decision-making, allowing tourism operators to plan for the years ahead.
- Encourage young people to choose a long-term career in the tourism sector.

Developing Māori tourism

National recognises the unique contribution Māori tourism operators provide to the sector. Māori tourism is a key attraction for many who are keen to learn more about our indigenous culture and heritage.

New Zealand Māori Tourism exists hand in hand with New Zealand Tourism. It is significant to New Zealand's cultural identity and economy. Māori Tourism is more than a tour experience. It's a sharing of stories and relationships. It's about maintaining and creating a connectivity of hearts & minds, with and between our past, our present, and our future.

In 2019, there were 234 Māori tourism businesses employing over 11,100 people and National will support and build capability for Māori tourism in response to Covid-19 through our tourism plan so that the essence of Māori tourism continues to be represented to the domestic and international market.



Policy highlights

National will:

- Use the Infrastructure Bank to work with local government to build the new infrastructure needed to cope with tourism numbers across regional New Zealand.
- Provide direct cash support to businesses and tourist operators through an enhanced \$100 million Tourism Accelerator and Visitor Exposed Businesses Fund.
- Allow travel bubbles with neighbouring Covid-free countries.
- Implement a consistent and transparent national framework for freedom camping.
- Support the TRENZ conference with \$5 million for the next two years and enhance the collection of accommodation and tourism data.

Our plan

Infrastructure Bank

National will use the Infrastructure Bank to partner with local government to build new infrastructure needed to cope with tourism numbers across regional New Zealand.

Infrastructure across regional New Zealand is under pressure, especially in areas with high numbers of visitors but small resident populations. Responsibility currently falls on ratepayers to build infrastructure with more capacity than their population would otherwise use.

Initiatives like the Tourism Infrastructure Fund provide some support but more is needed.

Our Infrastructure Bank will sit alongside our Tourism Accelerator fund and will focus on targeting projects in regional New Zealand and sourcing the financing for them to enhance the tourism industry.

National will:

- Use the Infrastructure Bank to partner with local government to build new infrastructure needed to cope with tourism numbers across regional New Zealand.

Tourism Accelerator

The closure of New Zealand's borders means struggling tourism operators need immediate relief to stay afloat and to ensure the industry can rebuild.

Under this scheme, tourism operators will be eligible to apply for up to 70 per cent of the funding for projects they propose that meet the criteria of increasing demand within the tourism sector. The minimum co-investment expected from the private sector would be 30 per cent.

National will:

- Allocate \$100 million over a four-year period to help tourism businesses invest and innovate.
- Partner with industry to help stimulate demand and increase productivity.

Launch of the New Zealand Tourism Festival

National will launch a New Zealand Tourism Festival to help local communities and regions across the country and support the domestic tourism market.

The festival is modelled off the REAL New Zealand Festival that ran over Rugby World Cup 2011 and saw over 1200 home-grown events in 86 towns and centres across the country.

National will do it again at a bigger scale to assist the recovery of the tourism industry and regional economies.

With many more New Zealanders looking at holidays across New Zealand this year, National will provide even more opportunities for them in New Zealand.



National will work with the Lotteries Commission, Tourism New Zealand and industry bodies to progress a programme of events and funding for this event to be held in 2021.

National will:

- Launch the New Zealand Tourism Festival to showcase the regions of New Zealand and encourage domestic tourism.

Supporting tourism sector through Covid

The impact of Covid has been stark and immediate. A year ago, no one in the tourism sector could have foreseen the country's borders closing. Yet now, the whole industry is bearing the economic brunt of our unprecedented restrictions on international travel.

Tourism operators are now struggling with wildly divergent views on the future of travel from various ministers as well as dashed hopes of promised travel bubbles that have failed to materialise.

National would establish a unified crown agency, Te Korowai Whakamaru / the Border Protection Agency that would provide long-term security for New Zealand families, their health and the wider economy.

We will provide certainty on how New Zealanders and others can enter the country and scale up the capacity of managed isolation to allow future opportunities for a pathway for visa holders, such as high value tourists, to enter the country.

New Zealand needs to take practical steps to support the tourism sector through Covid by allowing safe activities to take place.

National will:

- Ensure travel bubbles with Covid-free neighbouring countries are opened up when they are safe to do so.

- Allow accommodation providers to gain approval to act as managed isolation facilities to scale up capacity and enable visa holders, including the eventual return of international visitors, to book a place in managed isolation facilities.
- Investigate the possibility of cruise ships operating domestically in New Zealand for Kiwi travellers over summer, particularly to popular destinations such as Fiordland and the Bay of Islands.

Tax Stimulus for New Zealanders

To further stimulate the tourism sector and wider economy, National will deliver massive tax stimulus for hard working New Zealanders, putting more than \$3000 extra in the back pockets of the average New Zealander.

These changes will be in place from 1 December 2020 to 31 March 2022 which will support the summer tourism season.

The result will mean that all families, particularly those on middle incomes, will have additional money to spend on New Zealand's tourism industry, supporting jobs and businesses nationwide.

National will:

Provide temporary tax relief for New Zealanders to help stimulate the economy and support domestic tourism through the summer season.

Tourism 2025 Fund

As part of the goal to restore the tourism sector by 2025, National will establish the Tourism 2025 Fund. The fund will bring together unallocated funding from the Tourism Infrastructure Fund and from the International Visitor Levy. It will also manage any remainder from the Strategic Tourism Asset Protection Programme.

As part of this fund, National will further support tourism and travel businesses to meet their fixed cost for tourism businesses.



National would work with the industry to establish criteria that would be used to allocate this funding.

This fund will cover tourism businesses as well as travel agents, in-bound tour operators, tour companies, and event providers.

National will also promote tourism career pathways for all youth. We should encourage our young people to choose tourism as a valuable career, not just a holiday job, and so will establish a tourism scholarship programme at the tertiary level.

National will:

- Establish the Tourism 2025 Fund.

Transport Infrastructure

National's \$31 billion transport infrastructure investment is not just an investment in transport. It is a transformational programme that will connect the regions of New Zealand together, invest in the safety of transport infrastructure and secure the links to critical tourism areas across the country.

Key projects such as upgrading regional bridges, repairing and maintaining key tourist routes like the Hollyford Road, and investing in safety improvements in significant tourist regions such as between Te Anau and Queenstown are critical to ensuring that New Zealand can continue to build on its domestic tourism market and be ready for the eventual return of international visitors.

Stripping out fees and levies

When international tourism returns, New Zealand will be competing with other countries for valuable tourist dollars. Tourists will be discerning, and we cannot afford to put them off with unnecessary fees and charges. We need to market ourselves as a fair destination where spending goes towards high quality attractions and experiences, not on bloated bureaucracy.

National will:

- Ensure there are no new bed taxes in New Zealand.
- Put a freeze on any more government levies and charges being slapped on tourists.

Freedom Camping

Freedom camping causes friction between tourists and local communities when people don't respect the environment they have come to visit. National's plan for freedom camping would build on Anne Tolley's Member's Bill which updates freedom camping legislation to make the rules more consistent and easier to follow.

Restrictions would include confining freedom camping which isn't self-contained to within 200 metres of toilet facilities, empowering more government organisations to limit freedom camping on land they control and providing stronger enforcement of fines for rule-breakers.

National will:

- Implement a consistent and transparent national framework for freedom camping.
- Investigate a freedom camping license regime, enforced by local councils that would provide for a fee paid for by freedom campers.

Investing in New Zealand's natural environment

New Zealand's natural environment and the native species within it provide opportunities for our tourism sector to offer unique experiences. National wants to further enhance and protect our landscapes.

National will:

- Begin work to establish two new National Parks – one on the Coromandel Peninsula and one in the Catlins, and build two new Great Walks.



Cutting through bureaucratic decision-making

Labour's attitude to tourism over recent years has been marked by a lack of leadership, misunderstanding of the sector, slow decision-making, and too much bureaucracy. Inexplicable decisions have been made, including axing the valuable Accommodation Survey because government departments argued over funding it.

National will ensure the future of TRENZ 2021 and 2022 because it remains an important tool for the tourism sector to coordinate. It is the major national tourism conference held by Tourism Industry Aotearoa, but was cancelled this year due to Covid-19 and uncertainty has emerged over its viability.

Policy element	Four-year cost (\$m)
Tourism Accelerator fund	100
TRENZ conference	5
Tourism 2025 Fund	Unallocated existing funding
Total New Funding	105

National will:

- Make the Minister of Tourism a senior minister within Cabinet who is accountable to the sector and gets things done.
- Support the TRENZ conference with \$5 million for the next two years.
- Enhance the collection of accommodation and tourism data.
- Modernise legislation including the Conservation Act 1987 and National Parks Act 1980 to be more tourism friendly.
- Change the criteria for the \$50 million Regional Events Fund so that private businesses can also bid for events and help stimulate domestic tourism.

Costs

National's \$100 million Tourism Accelerator Fund and \$5 million for TRENZ is already announced and funded within National's Economic & Fiscal plan.

The remaining policies would be funded through rolling unallocated Tourism Infrastructure Fund and International Visitor levy funding into a Tourism 2025 Fund.