



# Annual Report 2022-2023





# Annual Report from the Deputy Chair & Chief Executive

Kia ora tātou,

The year from 1 April 2022–31 March 2023 was the continuation of a unique period in time for Aotearoa’s tourism industry. The Covid-19 pandemic eased and the start of the tourism industry’s recovery process began as borders fully reopened on 1 August 2022.

Support from New Zealanders kept many operators busy during the winter and by the end of the financial year, they had enjoyed a solid summer of bookings although not up to pre-Covid levels. International travel resumed with varying degrees of air capacity. China began issuing travel visas to its nationals in January.

TIA was very busy assisting members over the Covid period and as we enter the rebuilding phase, we invite you to take a quick stock take of our activities.

## **Financial performance**

Overall, the TIA operating result for the year ended 31 March 2023 shows a net deficit of \$0.565m (compared with a deficit of \$0.672m the previous year).

TIA has not been immune from the challenges present in our industry, and over the last two years it has used its valuable reserves to maintain service levels and support to members and the wider industry, through this challenging period.

We view our role as a privilege and are grateful to every business that chooses to carve off some of their hard-earned revenue to support what we do.

TIA’s Board has been laser-focused on ensuring the organisation is carefully managing its costs and expenses. The Board plans to recover TIA’s financial reserves over the next three years.

The initiatives taken by the TIA Board and management will see the organisation deliver an operating surplus for 2023/24.

In the 22/23 year, TIA continued to work closely with strategic partners Marsh and Westpac as strategic partners. A number of new industry partners were secured, including Tourism Talent and Eudora.

TIA is grateful for the support of all our partners, who not only provide important revenue for TIA to carry out our work but provide significant benefits to tourism businesses.

## **Critical advocacy and policy impact**

TIA’s advocacy work focused on two key workstreams following border opening – workforce recovery and summer readiness.

Our inaugural Workforce and Summer Readiness survey showed that tourism businesses were being impacted by significant workforce and recruitment issues, as well as weather events, inflation, and reduced borrowing capability.

Using the survey data TIA was able to secure significant media profile for the recovery challenges being experienced by the industry, in addition to securing improvements to the Accredited Employer Work Visa process and the Immigration Rebalance.

These included the exemption of 27 tourism and hospitality roles from the median wage requirement and the removal of the proposed Restricted Occupation List.

We also secured increased caps for Working Holiday Visas and a sector agreement for the adventure and outdoor sector, allowing skilled overseas workers to be paid below the median wage for a transitional period of three years.

Wellbeing was also top of mind during this period, and a significant concern for businesses. TIA launched #feelgoodtourism, a four-week awareness campaign to support mental health among industry staff and support their resilience in the lead up to summer.

The Tourism Industry Transformation Plan, which seeks to transform tourism into a more regenerative model in partnership with Government, Industry, Unions and Māori progressed during this period. The first stage of the plan, which focused on the workforce, resulted in the Better Work Action Plan. We were also involved in its next phase, the Environment Plan.

Our policy and submissions work addressed a raft of Government initiatives and legislation. These included the Health and Safety at Work Act covering adventure activities, the Self-contained Motor Vehicles Legislation Bill relating to freedom camping, the Customs Arrival Information Amendment Bill, and the Fair Pay Agreements Bill.

We also commented on the Emission Trading Scheme, Auckland Council's draft budget, Future of Local Government, the Natural and Built Environments Bill, Department of Conservation processes, and the National Climate Adaptation Plan.

TIA's work occurs in partnership - we maintain effective relationships with politicians, officials, media and stakeholders across a wide range of departments and issues. Our Chief Executive Rebecca Ingram was invited to join Prime Minister Jacinda Ardern on the first international trade delegation to Australia in July 2022, recognition of the critical role tourism plays in New Zealand's recovery from Covid.

Our advocacy work was enhanced by working with the Drive Safe programme, Responsible Camping, Accommodation Forum, Hotel regional chairs, Small Business Reference Group, Business New Zealand and the Tourism Association Network (TAN). TAN is a collection of tourism industry bodies which was formed during the pandemic for support and to align an approach to Government. TIA continues to facilitate this group.

Our communications team over this period was very active – marking important changes in the Covid system, drawing attention to critical issues such as visa rules and industry funding, and cheerleading where there were signs of recovery.

## **Aroha of Tourism**

Another way TIA advocated for tourism during the year was through a campaign to engage New Zealanders on the value of tourism to their communities and encourage them to welcome the return of international visitors.

We wanted Kiwis to understand that tourism operators love New Zealand and are invested as much in their country as they are. After working with a top external marketing agency, the Aroha of Tourism campaign went live from late January to March.

The feedback from this campaign was very encouraging, outperforming the agency benchmark on several measures. Click-throughs to the TIA website indicated the content was engaging and viewers were curious.

The campaign's performance exceeded expectations, indicating we had a strong media strategy, and additional funding from Ringa Hora and other partners allowed us to secure a second phase of the campaign from April to the end of May.

### **Realising the potential of the Tourism Sustainability Commitment (TSC)**

TIA's vision is to lead the world's most sustainable tourism industry, and in FY23 our tourism sustainability work evolved from commitment to action by offering sustainability capability building services.

TIA's sustainability and member advocates held numerous workshops and sessions for operators all over the country, from Northland to Queenstown and even the Chatham Islands.

During the year, TIA was contracted to run sustainability programmes for various RTOs and agencies. One major contract for Tourism Bay of Plenty involved 100 operators over 2.5 years. Another opportunity arose with Tātaki Auckland Unlimited to assist operators on Waiheke Island and Aotea Great Barrier Island. Evaluation reports indicate that they have been very well received and resulted in real-world changes.

TIA's Carbon Challenge was promoted widely, and we held a hui inviting Carbon Accounting providers.

TIA also helped many business groups and associations deliver their own sustainability programmes, including the Business Events Industry Association, the NZ Cycle Trails, Asure Accommodation Group and Orbit World Travel.

### **Events to enable members and the industry**

TIA's events provide a platform for members to connect, be inspired and do business.

Covid restrictions meant that TIA's annual flagship trade show, TRENZ, was held in virtual form, drawing more than 400 tourism operators over two days.

The New Zealand Tourism Award winners were revealed at a Gala Dinner in Kirikirua Hamilton in November 2022, with almost 400 delegates attending. These awards are dedicated to raising the profile of tourism, celebrating business and individual excellence within the industry. Delegates were clearly glad to be able to meet face to face again, with 89% rating the event excellent or very good.

We received considerable positive feedback from members and were pleased to posthumously award Jeroen Jongejans with the Sir Jack Newman Award at the event.

Our companion one-day Tourism Summit attracted 293 attendees from 134 organisations and was also highly rated, bringing together a collection of inspiring speakers and workshops to enable the industry with the theme 'Inspiration. Innovation. Impact'

TIA also continued to use online webinars to ensure members stayed informed on significant issues. Some 571 members attended TIA's webinars over the period.

### **TIA team**

TIA felt the financial impacts of the COVID-19 pandemic alongside the rest of the tourism industry. Accordingly, we took prudent steps to ensure it operates sustainably by carefully managing costs and expenses. This included making some changes to the operating model to align with the strategic plan.

We have welcomed some new faces to the team, including a new General Manager of Membership and Advocacy, Greg Thomas. We have continued to embrace new ways of flexible working that have

developed over the past few years and this has developed opportunities to attract talent and ensure connection with members across the motu.

TIA is a Living Wage employer, and continues to strive to be an Employer of Choice.

### **Thank you**

Rebecca Ingram was appointed Chief Executive in March 2022 and her experience in tourism, government and industry association roles has been invaluable in leading TIA as it recovers and rebuilds our tourism industry.

The Board would also like to thank departing Board members and Gráinne Troute, whose two-year term as chairperson from May 2020 was extended to May 2023. TIA welcomed Dame Kerry Prendergast, a former Wellington mayor and very experienced Director as Chair in June.

Thanks also to the entire TIA team for their ongoing commitment to supporting members and the wider industry. The board would also like to acknowledge the invaluable support of TIA's members, the wider industry, and Strategic Partners – Westpac, Marsh and Tourism Industry New Zealand Trust, along with many other partners and event sponsors.

Thank you to everyone that TIA works with. As it moves into more optimistic times, TIA looks forward to continuing to support the industry towards its promising future.

A handwritten signature in black ink, appearing to read 'Fergus Brown'.

Fergus Brown  
Chair of the Organisation, Audit and Risk Committee  
Co-Deputy Chair

A handwritten signature in black ink, appearing to read 'Rebecca Ingram'.

Rebecca Ingram  
Chief Executive

## TIA Board of Directors as of 31 March 2023

Gráinne Troute was appointed Independent Chair of TIA in May 2020 and her two-year term was extended to May 2023.

Board Members for the financial 22-23 financial year:

### **Adventure and Outdoor Sector**

Trent Yeo, Executive Director, Ziptrek Ecotours

### **Air Transport Sector**

Jenna Raeburn, GM Corporate Affairs, Wellington Airport

### **Attractions, Conferences and Events Sector**

Callum Mallett, Chief Operating Officer New Zealand, SkyCity

### **Culture and Heritage Sector**

Teresa Fogarty, Otago Museum, Visitor Experience Manager

### **General Industry Sector**

Nicole Botting, General Manager, Maverick Digital

### **Holiday Parks, Motels and Other Accommodation Sector**

Fergus Brown (Co-Deputy Chair), Chief Executive, Holiday Parks New Zealand

### **Hotel and Lodges Sector**

Les Morgan, Chief Operating Officer, Sudima Hotels and Hind Management

### **Land Transport Sector**

James Dalglish, Chief Executive Officer, Go Rentals

### **Māori representative**

John Barrett, Managing Director, Kapiti Island Nature Tours and Nature Lodge

### **Regional Tourism Sector**

David Perks, Chair, Regional Tourism New Zealand

### **Tourism Services and Services to Tourism Sector**

Kristin Dunne, Director of Destination Strategy, Miles Partnership

### **Water Transport and Cruise Sector**

Debbie Summers, Executive Director, ID New Zealand and Chair, New Zealand Cruise Association

### **Tourism New Zealand Representative**

René de Monchy, Chief Executive, Tourism New Zealand

### **Co-opted Director**

Reuben Levermore, Head of Tourism and Regional Affairs, Air New Zealand

## Board changes in 2022/23

### May 2023

Chair Gráinne Troute's term came to an end. Dame Kerry Prendergast assumed the role of Chair on 1 June 2023

### March 2023

Les Morgan, Chief Operating Officer of Sudima Hotels and Hind Management, was appointed as Hotel and Lodges Sector representative, replacing Gillian Miller.

Jake Downing resigned as attractions, conferences and events representative and was replaced by Callum Mallet, Chief Operating Officer NZ, SkyCity.

### December 2022

Jacqui Wilkinson resigned as general industry sector representative. Her role was left vacant.

Gillian Miller resigned as Hotel and Lodges Sector representative.

### September 2022

Nicole Botting, General Manager, Maverick Digital, was elected as a general sector representative.

John Barrett, Managing Director, Kapiti Island Nature Tours and Nature Lodge, was co-opted as a Māori representative, replacing Hemi Sundgren.

Reuben Levermore was reappointed as co-opted director.

*TIA welcomes those who have joined the Board in this period. Thank you to those directors who have stepped down and to all continuing directors for their valuable contributions.*

## Financial Report

Overall, the TIA operating result for the year ended 31 March 2023 shows a net deficit of \$0.565m (compared with deficit of \$0.672m the previous year). The membership of TIA at year-end comprised 1,241 members (1,202 the previous year).

Net Assets as at 31 March 2023 are \$1.132 million, a decrease of \$0.565m on the previous year. Due to increased volatility and performance of the investment portfolio the TIA Board undertook a managed sell-down of the portfolio during 22/23, resulting in realised gains and losses (as reported in the financial statement below). The funds are now held in a number of term deposits.

For a full copy of the financial statements, go to the MyTIA member zone: <https://members.tia.org.nz>

### Income

Total income was \$3.085m, an increase on the prior year income of \$2.432m.

The 2022/23 membership income remains impacted by the COVID-19 pandemic with membership income decreasing slightly to \$0.96m (compared to \$1.067m the previous year and \$1.755m from 2019).

Income from commissions, sponsorships, projects and events was \$1.08m (compared to \$0.52m the previous year). TIA has delivered sustainability capability training to the industry for which it has received funding from participating organisations. TIA has also received funding from members to support several major projects (Aroha of Tourism and the 2050 industry strategy reset).

A management fee of \$0.87m was charged by TIA to the Tourism Industry New Zealand Trust (TINZT) to deliver a range of services to the Trust including the planning and preparation for TRENZ 2023 and the TRENZ Hui in May 2022 and for governance and administration services.

Interest and dividends received during the year were \$38k compared to \$27.6k the previous year.

### Expenses

Total expenses for the year were \$3.651m (compared with \$3.1040m in 2021/22).

The increase in cost is primarily driven by increased activity as TIA invested in several major projects (as above) and reignited the TIA Summit and Tourism Awards post COVID.

The association has tax losses available to carry forward this year of \$0.606m (compared to tax losses of \$0.526m in 2020/21) on non-membership income.



**TOURISM INDUSTRY AOTEAROA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
<b>Membership Income</b>		
Membership Fees	961,166	1,067,416
<b>Other Income</b>		
Secretariat & Management Fees	899,016	807,449
Interest & Dividends Received	38,364	27,609
Commission, Sponsorship, Event & Other Income	1,084,596	520,006
Realised gain on investments	102,358	9,658
<b>Total Income</b>	<b>3,085,500</b>	<b>2,432,138</b>
<b>EXPENDITURE</b>		
AGM & Meeting Expenses	35,828	58,361
Business Development Expenses	54	2,220
Conferences & Subscriptions	17,297	17,326
Depreciation & Amortisation	12,890	12,778
Employment Expenses	2,211,774	2,190,016
Information Technology Expenses	143,002	260,283
Legal & Accounting Expenses	37,378	61,902
Membership Events	230,903	86,417
Office Expenses	58,267	54,115
Property & Occupancy Expenses	141,606	131,365
Projects & Research	462,527	115,200
Other Expenses	112,788	77,071
Realised loss on investments	187,065	0
Unrealised loss on investments	-	37,881
Taxation Expense	-	-
<b>Total Expenses</b>	<b>3,651,379</b>	<b>3,104,935</b>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>(565,880)</b>	<b>(672,798)</b>

**TOURISM INDUSTRY AOTEAROA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>ACCUMULATED FUNDS</b>		
Balance at beginning of year	1,698,208	2,371,008
Net Surplus for year	(565,880)	(672,798)
<b>TOTAL ACCUMULATED FUNDS</b>	<b>1,132,330</b>	<b>1,698,208</b>
Represented by:		
<b>CURRENT ASSETS</b>		
Cash & Bank	1,665,852	824,692
Short Term Deposits	150,000	150,000
Accounts Receivable	839,618	506,400
Prepayments and other Current Assets	21,196	9,395
Taxation Receivable	(11)	(11)
	2,676,655	1,490,477
<b>INVESTMENTS</b>		
Craigs Investment Partners	-	992,232
	-	992,232
<b>CURRENT LIABILITIES</b>		
Income in Advance	1,125,496	502,249
Accounts Payable	74,422	49,527
Employee Entitlements	99,422	104,673
Other Accrued Liabilities	110,749	49,868
GST Payable	149,721	99,443
FBT Payable	1,698	1,698
	1,561,508	807,458
<b>NET WORKING CAPITAL</b>	<b>1,115,147</b>	<b>1,675,251</b>
<b>NON CURRENT ASSETS</b>		
Fixed Assets	17,185	22,957
<b>TOTAL NET ASSETS</b>	<b>1,132,330</b>	<b>1,698,208</b>

## Contact TIA

### Physical Address

Level 2  
Inspire House,  
125 Featherston Street  
Wellington

### Postal Address

PO Box 1697  
Wellington 6140

**[member@tia.org.nz](mailto:member@tia.org.nz)**

**[www.tia.org.nz](http://www.tia.org.nz)**

**[www.sustainabletourism.nz](http://www.sustainabletourism.nz)**

**Cover photo credit:** MDA Experiences (Aroha of Tourism)