

New statistics show devastating COVID impact on tourism

The devastating impact of the pandemic on Aotearoa New Zealand's tourism industry has been officially measured for the first time, with today's release of the **Tourism Satellite Account** for the year ended March 2021.

The TSA is the official annual measurement of the New Zealand tourism industry. It includes measures of tourism spend by international and domestic visitors, the number of people employed through tourism, tourism's share of export earnings and its contribution to New Zealand's GDP.

Today's release covers a 12-month period that started with closed borders and later saw a country-wide lockdown, followed by regional restrictions.

The TSA shows that a third of all the people employed in tourism have gone, with a loss of 72,285 people from the industry – equivalent to almost the entire population of Palmerston North.

This includes 6738 or 25% of tourism 'working proprietors' – those owner-operators who are the backbone of our visitor industry.

"This is the first time we have been able to accurately measure the impact of COVID-19 on our industry. While the numbers come as little surprise, they reinforce the catastrophic impact on people's lives and livelihoods," TIA Chief Executive Chris Roberts says.

"The one bright spot in the data is a small increase in domestic tourism spend and operators are incredibly grateful to New Zealanders for still supporting them."

Domestic tourism spending grew by 2.6% compared to before the pandemic, but this did little to offset a 91.5% decline in international visitor spend to just \$1.5 billion, compared to the pre-pandemic annual spend of \$17.5 billion.

"It's worth noting that we still had a few international visitors and students in New Zealand during the early months of the pandemic, so it's likely these figures have dropped even further this year."

Total tourism expenditure (international and domestic) for the year to March 2021 was \$26.1 billion, down 37.3% on the previous year.

"That is \$15.6 billion in just one year that has been lost to the New Zealand economy, including a drop of \$1.7 billion in GST returns to the government from international visitors.

TOURISM INDUSTRY AOTEAROA

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"Tourism was the first industry to be affected by the pandemic and will be the last to recover. The Government has signalled there will be a staged approach to the return of international arrivals from May 2022, but it is possible it will be summer 2022-23 before there is any significant inflow of visitors. The proposed 7-day self-isolation requirement will put off most travellers."

"Kiwi holidaymakers have provided the lifeblood for many tourism businesses in the last two years. Tourism operators will be welcoming Kiwis with open arms this summer but are desperately keen to welcome back fully vaccinated high-value international visitors as soon as they can."

To read the latest Tourism Satellite Account go to

<https://www.stats.govt.nz/information-releases/tourism-satellite-account-year-ended-march-2021#results>

For more information, please contact:

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KEY FACTS

- TIA is New Zealand tourism's peak industry body. We are the only independent association that represents all sectors of New Zealand's large and diverse tourism industry.
- TIA has about 1300 member businesses from across the industry, ranging from small owner/operators to large publicly listed tourism corporates and international hotel chains.
- TIA is deeply involved in discussions on recovery and what the future of tourism in New Zealand will look like.
- TIA leads implementation of the industry's **Tourism Sustainability Commitment** which aims to see every New Zealand tourism business committed to sustainability.
- TIA delivers a comprehensive and diverse range of industry events including TRENZ, New Zealand Tourism Awards, Discussing Tourism regional events and the Tourism Summit Aotearoa.

Visit www.tia.org.nz for more information

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