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Media release

Recovery roadmap released for tourism

New projections for the recovery of New Zealand tourism suggest that it could be 2024 before the industry gets close to its 'new normal'.

Tourism Industry Aotearoa has released a Tourism Industry Roadmap to an online audience of more than 400 at the opening of today's Tourism Summit Aotearoa. The roadmap sets out an up-to-the-minute analysis of how the industry recovery might progress over the next few years.

Drawing on the opinions and expertise of two dozen tourism leaders, the Roadmap aims to provide guidance by industry, for industry, so that tourism businesses can plan for a range of potential pathways, TIA Chief Executive Chris Roberts says.

"Even if operators disagree or will make up their own minds, this roadmap work will form a basis for their own business planning. Not many government or private sector analysts are covering tourism so this information may also be used to ensure better consideration of tourism across a wide range of processes," Mr Roberts says.

Quarantine-free travel is key to attracting international manuhiri back to New Zealand, he says.

"We know it will be a step-by-step process but the best way to get moving on the road ahead is to complete the first few small steps safely and swiftly."

The Roadmap analysis shows there is a \$16 billion potential additional loss in foreign exchange earnings if there are delays to the removal of border restrictions.

"\$26 billion in earnings from international visitors has already been lost since border restrictions began in February 2020. The analysis suggests a further \$23b loss in the next three years, but this could balloon to \$39b if our reconnection to the world is delayed."

The Roadmap shows there is still strong demand for travel to New Zealand but we need to be able to signal the way forward to international markets. Long lead times are needed to rebuild high quality air connectivity which could take years to rebuild.

The new normal for travel is shaping up around the world but New Zealand is on the edge in terms of logistics, connections and potentially decision making, according to the Roadmap expert group.

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Government policy settings will continue to be strongly influential over the next 12 months but New Zealand is seen as a safe destination and there is pent-up demand. The impact of new virus variants on global travel is identified as creating additional uncertainty.

By 2023, the main challenges are expected to be availability and cost of air travel, as well as international competition from other visitor destinations. But a partial recovery is expected, with a return to the new normal in 2024.

"We are certainly not taking these projections as set in concrete. TIA will continue to advocate strongly to government to achieve the best possible outcomes for our industry, which was the first to be hit by the pandemic and will be the last to recover," Mr Roberts says.

About Tourism Summit Aotearoa

Tourism Summit Aotearoa 2021 is run by TIA with support from Air New Zealand, Marsh, the Ministry of Business, Innovation & Employment, New Zealand Māori Tourism, ServiceIQ and Tourism New Zealand.

For more information on Tourism Summit Aotearoa, go to www.tourismsummit.co.nz

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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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