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Media release

Support for tourism as industry helps NZ avoid recession

Support for tourism announced in today's Budget will help more tourism businesses succeed as employers of choice, says Tourism Industry Aotearoa (TIA).

TIA Chief Executive Rebecca Ingram has welcomed the news in Budget 2023 of \$18.2 million over four years for implementing the Better Work Action Plan – developed collaboratively by Government, Māori, industry and unions.

The Better Work Action Plan is a holistic package of proposals that will bring about positive changes in the tourism industry.

"Delivery of the Better Work plan has the potential to be transformative for our industry and the ambition we have for more tourism businesses to become employers of choice. This funding ensures the plan doesn't sit in a top drawer," Ms Ingram says.

The Budget also stated that the Treasury now forecasts New Zealand will avoid recession thanks in part to the contribution of tourism.

"Tourism is an important contributor to New Zealand. Our ambition is to be a regenerative industry. Investment that supports us to progress towards this goal is welcome and appreciated. We look forward to working in partnership with Government to achieve it."

Ms Ingram says it was well signalled that this would be a cost-of-living budget designed to support families throughout this particularly challenging time. The tourism industry has been recognised as doing its part to support the communities it operates in and the economy.

Tourism businesses are directly employing more than 145,000 Kiwis, with 76% paying staff a Living Wage or above, according to TIA's recent workforce survey.

Funding for initiatives such as the Better Work Action Plan will help provide support for businesses, operators and workers across New Zealand.

TIA is also pleased to see the following important investments in Budget 2023:

- Significant investment in infrastructure resilience: the weather events of this summer highlight the real and growing impact of climate related weather events on our communities and businesses. As a touring destination we need a resilient network of roads to support our visitor economy and local communities.
- Major Events funding continues: major events require long term planning and prospecting. Ensuring New Zealand can compete, and secure significant events is good for the vibrancy of our communities, and for the tourism industry that hosts visitors who come for the event.
- EV charging network: As the tourism transport sector (rental cars, campervans) ups its investment in EVs, we welcome the commitment to ensure there are facilities for charging nationwide.
- Further funding for New Zealand Māori Tourism – Positioning the Māori Tourism Sector for the Future initiative.
- Further funding for The New Zealand Māori Arts and Crafts Institute to continue their great work.

TOURISM INDUSTRY AOTEAROA

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"While we can appreciate Budget 2023 has looked widely for savings, we are disappointed to see the Innovation Programme for Tourism Recovery Fund has been reduced by \$10m," Ms Ingram says.

"This programme was launched in November last year and is just getting started. It is designed to enable the industry to transform, innovate and take big strides towards our ambition of regenerative tourism. Reducing the fund size curtails the potential positive impact of tourism from these innovative new projects."

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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 contributing positively to our people and cultures, our environment and our economy
- 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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