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Submission to the Ministry of Tourism on the Draft NZ Tourism Strategy 2015

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 45 Nationally Organised Societies and National Members. It has 31 branches throughout the country attended by representatives of those societies and some 150 other societies. The Council's functions are to serve women, the family and the community at local, national and international levels through research, study, discussion and action. NCWNZ welcomes the opportunity to consider this Consultation Document. The response has been prepared by the Economics Standing Committee.

Social and environmental concerns have been the basis of NCWNZ resolutions since the foundation of the organisation. Recognising that tourism was becoming increasingly important for New Zealand's economy the following resolution was adopted in 1990:

"That NCWNZ ask the Government, the Minister of Tourism, the Regional and Local Authorities and the Tourist Industry, when planning the extension of tourism, to take the utmost care to preserve the special qualities of the multi-cultural nature of our society and New Zealand's natural resources¹." (5.2. 1)

Since the adoption of this resolution NCWNZ has responded to a number of Governmental discussion papers. It is pleasing to note that some of our recommendations are reflected in the current document - *the Draft NZ Tourism Strategy 2015*.

For example in February 1997 members called for an "investigation into the impact and inter-relationship of the private sector of the tourism industry on the public sector". Earlier, in December 1995 concern had been expressed that "there could be too much emphasis on tourist growth when conservation should be the basic principle for policy" so that (December 1991) tourism could "be planned for and restricted to what is appropriate for any given area". Note that these statements were made at a time when the "received wisdom" in economic circles was opposed to any kind of central planning,

The Draft Strategy states (p.6) that tourism accounts for 18.7% of all exports, employs 1 person in 10 of our workforce and contributes up to 9% of the GDP. These statistics are of particular interest to NCWNZ as women play a major role in tourism -as travel agents, flight staff, accommodation owners/managers, cleaners, interpreters, tour guides, croupiers, manufacturers of products from indigenous materials and caterers etc. In most of these occupations women are the first people encountered by our overseas visitors and so have the responsibility of forming those favourable impressions essential for making visitors feel welcome and, hopefully, generous with their wallets and credit cards. The irony is that so many of our tourist trade employees are underpaid so the discussion on page 52 is more than timely.

Better wage rates are going to depend on the profitability of tourist trade enterprises but there is that ever-present threat of environmental and cultural values being sacrificed for short-term gain. The severity of New Zealand's current account deficit could tempt local and central government to permit contravention of those values. With a growing number of our manufacturing industries being re-located overseas, dependence on tourism could become emphasised at the expense of what is socially and environmentally desirable. Could low-wage immigrant workers (p.52) be seen as a way to cut costs?

Examining realistically the cost structures affecting tourism is a priority in our opinion. But, instead of rushing to look at the costs of labour (both fixed and waged), the costs of capital and its servicing must be assessed - not only for individual enterprises but for the public infrastructures funded by rates and taxes. As the Strategy document states (p.29) "Yield' is the benefit that remains...after all costs are extracted" but, if tourist businesses are to "develop the capability to set prices at a level that generates ongoing returns on the capital invested ... rather than ... maximising the volume of business", they need more than resorting to "clustering" and other such strategies. Fortunately the section on Infrastructure Funding (p.49) invites us to suggest innovative ways to approach problems such as seasonal adjustments to demands on public facilities. Rate- and tax-payers cannot be expected to pay compounding interest on the mainly overseas owned debt raised to fund the construction of potable water supplies and hygienic waste disposal. After all, the "spillover" effects of tourism do not necessarily benefit everyone in a locality. Indeed some "spillover" effects are often negative e.g. the adverse social outcomes from casinos or brothels intended to attract the tourist.

If tourism is so important to our economy, there is a very strong case for Government to use its sovereign powers to arrange nil-or very low interest credit-lines for essential infrastructures. The resultant reduction in rate demands could make employment of skilled workers affordable, let alone encourage more domestic travel. How many of us hear holiday-makers claim a trip to Australia is cheaper than vacationing in New Zealand?

NCWNZ has learned that that "sustainability" is to be a central topic at the LGNZ (Local Government New Zealand) Conference in Mid-July. What a great opportunity for delegates to discuss and endorse sustainable funding for essential infrastructures, especially those required at our tourist resorts. Among other submitters to the Independent Inquiry into Rates, NCWNZ has called for interest-free capital funding as well as the cessation of GST on rates. A reminder here that the Local Government Act (2002) stipulated that sustainability must be the foundation of all social, economic and environmental policies.

Something which could undermine sustainability objectives is pressure from overseas owners of, or shareholders in, recreation assets, such as motel/hotel chains, airlines, trains, buses and airports. Regulations which limit casino licences, visitor numbers at ecologically sensitive sites or numbers of aircraft arrivals or takeoffs could be subject to objections, even expensive litigation. NCWNZ urges Government to resist such pressures which could put at risk the "clean, green" image promoted in official publicity. All the more reason to protect the viability of our domestically owned and operated tourist enterprises.

There is another aspect of supporting domestically owned and operated tourism. The discussion document points to the advantages for regional development (p.49) which implies a better demographic spread of New Zealand's population. And, with the increasing popularity of food tourism, members are seeing farmers' markets and boutique food outlets showing promising potential in quite remote areas. Meanwhile there should be more encouragement for tourist opportunities to be developed where there are existing infrastructures - Twizel is a good example.

The document does not mention one service all too frequently needed by tourists and New Zealanders alike - namely Search and Rescue. NCWNZ has no particular policies on this issue but would like to see S & R, included in the definitive document.

5.5.29: Investigate the case for developing a national convention centre. NCWNZ assumes that such investigations will include reviewing all existing convention centres, in the knowledge that New Zealand is a small country with no more than one hours' flying between major destinations. It is a concern that New Zealand industries seem to have a predilection for building venues everywhere, for one-off events e.g. rugby, when existing facilities could be used.

6.4.10 While migrants could be used successfully to fill pivotal skill gaps, it seems necessary to ensure that their impact does not detract from a truly New Zealand experience by the tourists

8.4.17 NCWNZ applauds this suggestion, to 'develop a Local Host awareness programmes for communities, associated industry and local government. It is assumed that this would be similar to the former 'Kiwi Host' programme, and available to any commercial retail organisation. After all freedom travelers visit all sorts of communities where first impressions are critical.

In conclusion, NCWNZ believes care is needed to ensure that development does not destroy the very appeal that is the basis of any tourist destination. Members feel that there is a fine balance between encouraging the international dollar and maintaining the traditional Kiwi family opportunities which in themselves, i.e. Kiwi lifestyle, attract not only the tourist but also skilled migrants seeking a new way of life for themselves and their families. The Queenstown area is a case in point: beautiful scenery, exciting attractions but priced way beyond the average New Zealand family as either a place to live or to visit, with camping facilities disappearing as being deemed inappropriate for the area.

NCWNZ congratulates the New Zealand Tourism Industry Conferences for their carbon-neutral standard, and their encouragement of annual conservation awards within the industry.

Once again NCWNZ welcomes the opportunity to contribute to the discussion and requests we be represented at future consultative meetings.

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