

09 May 2019

Committee Secretariat
Finance and Expenditure Committee
Parliament Buildings
Wellington 6143

By Email: fe@parliament.govt.nz

Dear Sir/Madam

NEW ZEALAND INFRASTRUCTURE COMMISSION/TE WAIHANGA BILL

Background

TIA is the peak body for the tourism industry in New Zealand. With around 1,600 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and other activities, attractions and retail, airports and airlines, transport, as well as related tourism services.

In October 2018 we responded to the Treasury Paper, welcoming the Government's decision to establish a new independent infrastructure body. In our response we noted our previous work in this area including the 2017 National Tourism Infrastructure Assessment and highlighted the barriers to tourism infrastructure. These include a high level of regulatory complexity and compliance costs, changing political environments, lack of long-term tourism infrastructure strategy and vision, lack of funding, and lack of partnering options or incentives.

Feedback on the Bill

Establishment of Commission

We support the structure of the body as an autonomous Crown entity. We believe this will provide the organisation with sufficient independence to provide an impartial view of the infrastructure issues and priorities. While there is an inherent risk in that Government is not obligated to follow or implement any recommendations of the Commission our previous experience with similar bodies such as the Productivity Commission is that the independence of such bodies is the first priority.

Functions of Commission

We agree with the main function of the Commission to 'co-ordinate, develop and promote an approach to infrastructure that encourages infrastructure, and services that result from infrastructure, that improve the well-being of New Zealanders'. TIA is well-aligned with this, demonstrated in our Purpose Statement 'Shaping tourism for the ongoing benefit of Aotearoa and our people - Waihangatia te tapoitanga, he painga mo Aotearoa whanui'.

Central to the ability of tourism operators to support the well-being of local communities is a joined-up public and private visitor infrastructure system delivering safe and enjoyable experiences for all visitors. In our view infrastructure planning at a central and local government level has been ad-hoc, disjointed and barely visible. It is our sincere hope that the new Commission will address this.

Strategy and Planning Functions

We are encouraged to see that within the strategy and planning functions the Commission will work with infrastructure *owners* to gather information and build a picture of the current state of NZ's infrastructure. We would encourage the Committee to also acknowledge infrastructure *users* within this process. MBIE visitor forecasts are for international visitor arrivals to increase from the current 3.8m to 5.1m by 2025. New Zealand's population has increased by half a million people since 2013 and domestic tourism growth has been strong. Visitors, international and domestic combined, currently pump more than \$39b p.a. into the economy and make a direct contribution of 6% to GDP. Visitors are significant users of public and private infrastructure and it should not be assumed their views and perspectives are well-represented via infrastructure owners.

Strategy Reports

We support Clause 13(b) and the requirement for a Strategy Report, published every five years, to identify infrastructure priorities for the next 30 years. This aligns with the time-periods for local government infrastructure planning and recognises the long-term nature of infrastructure planning and investment.

Conclusion

We believe the establishment of such a body is well overdue. The private tourism sector is investing millions annually in infrastructure including accommodation, airports, attractions and activities. Planning and co-ordinating public infrastructure investment so it improves the wellbeing of New Zealanders is a new approach and the private sector can contribute significantly to this. We welcome the Bill and fully support the introduction of the Infrastructure Commission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C. Roberts', written in a cursive style.

Chris Roberts
Chief Executive