



**Submission to the
Ministry for the Environment
on the
Conservation and Environment Science Roadmap**

Date: 07 September 2016

TOURISM INDUSTRY AOTEAROA

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Tourism Industry Aotearoa (TIA) welcomes the opportunity to comment on the Conservation and Environment Science Roadmap.

EXECUTIVE SUMMARY

1. TIA is concerned to see that although tourism is incorporated in the scene-setting section of the discussion paper, tourism is completely absent from any of the science initiatives within the 12 themes.
2. As such, this document completely misses the stakeholder interest of the tourism industry and the government institutions that support tourism on how New Zealand manages its conservation and environmental resources, even though research consistently finds that these values are the very reason why people visit New Zealand.
3. TIA is of the opinion that having a specific theme on how commercial entities utilise New Zealand's conservation and environmental resources to run profitable businesses seems necessary to address this structural flaw.
4. We also expect to see a stronger representation of tourism interests and representation in the Conservation and Environment Science Roadmap, particularly in Theme 3- Freshwater ecosystems and processes and Theme 5 - Coastal and Marine Ecosystems and Processes.
5. TIA strongly recommends that this Conservation and Environment Roadmap includes research on the economic value of natural capital to the New Zealand tourism industry and that research agencies will provide the tourism industry in New Zealand with this much needed, and highly overdue, piece of insight.

INTRODUCTION

6. Tourism Industry Aotearoa (TIA) is the peak body for the tourism industry in New Zealand. With over 1,500 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and activities, attractions and retail, airports and airlines, as well as related tourism services.
7. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events, membership and business capability. The team is based in Wellington and is led by Chief Executive, Chris Roberts.
8. Any enquiries relating to this paper should in the first instance be referred to Nienke van Dijken, TIA Policy Analyst at nienke.vandijken@tia.org.nz or by phone on 04 494 1842.

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COMMENT

Tourism 2025

9. Tourism 2025 (www.tourism2025.org.nz), an industry-led, government supported economic growth framework was launched in New Zealand in 2014 and has set an aspirational goal of reaching \$41 billion in annual tourism revenues by 2025. The industry's focus is on growing value faster than volume.

10. The Tourism 2025 framework is based around five key themes which are:

- Insight - this is at the core of the framework recognising that having timely, accessible and relevant insight is what will help tourism businesses with the information they need to support operational and strategic decision making.
- Connectivity - focusing on growing sustainable air connectivity is critical for an island nation that relies on 95% of its visitors arriving on a commercial aircraft.
- Productivity - making more money from the investments we already have and finding new solutions to seasonality (the tourism industry's perennial challenge) and regional dispersal.
- Visitor experience - we can derive more value by creating outstanding visitor experiences that meet the needs of a changing visitor mix and recognising the end to end visitor experience, the need to improve facilitation and be measuring dissatisfaction.
- Target for Value - the identification of targeted opportunities that, if taken up, will deliver the greatest economic benefit.

11. This framework has recently been reviewed ([Tourism 2025-two years on](#)). While the five themes of the framework remain unchanged, the emphasis in some focus areas has shifted. Sustainability is one of the themes now being given greater emphasis. There is a desire and expectation that long term sustainability, from an economic, environmental, cultural, and social aspect, is becoming a core value against which all decisions are being tested.

Our understanding of the issue

12. There are numerous science research funding streams available in New Zealand which are currently allocated by individual agencies including the Ministry of Business, Innovation and Employment (MBIE). Decisions about research funding are either set by the individual agencies or by research providers.

13. Historically, there has not been a coordinated approach to the allocation of this research funding, with each agency/provider determining where the investment is allocated.

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14. A key aim of the Conservation and Science Roadmap is to develop a series of themes (Science directions) to coordinate and align the distribution of funding. There are twelve themes in the discussion paper and the approximate 2015/16 investment into research for all twelve themes is \$116,034,900.
15. While the Conservation and Science Roadmap is not a binding document, it seeks to provide central government direction on the conservation and environment research priorities to guide future investment decisions.

General

16. Although tourism is incorporated in the scene-setting discussion of the discussion paper, tourism is completely absent from any of the science initiatives within the 12 themes.
17. There is no discussion on how tourism uses, values, or invests in conservation or natural resources. There are no research questions relating to tourism: about measuring, managing and mitigating impacts; about maximising opportunities; about how tourism value can rise if we manage these resources to a very high standard; and, about how tourism contributes to society placing greater value on these resources because of greater use and access by New Zealanders and international visitors.
18. As such, this Conservation and Science Roadmap completely misses the stakeholder interest of the tourism industry on how New Zealand manages its conservation and environmental resources, even though research consistently finds that these values are the very reason why people visit New Zealand. Tourism is a key vehicle for generating monetised value from these resource assets.
19. This represents a serious structural flaw in this discussion paper: tourism is 17.4% of the export economy, 8.5% of the total economy (GDP) and 12.1% of total employment. It needs and deserves its place within this Conservation and Environment Science Roadmap.
20. Having a specific theme on how people utilise New Zealand's conservation and environmental resources to generate wealth seems necessary to address this structural flaw.
21. Robust research and insight are critical to achieving tourism aspirational goals. In the area of Conservation and Environment, there are a range of research needs. TIA seeks stronger relationships with agencies and research providers to undertake research that is fit for purpose for the tourism industry.

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Research themes

22. TIA would like to provide feedback on two of the twelve themes: *Theme 3 – Freshwater ecosystems and processes* and *Theme 5 – Coastal and Marine Ecosystems and Processes*.
23. We would like to see a stronger representation of tourism interests and representation in the Conservation and Environment Science Roadmap and in particular in Theme 3 and Theme 5.
24. The following two sections (*Theme 3 – Freshwater ecosystems and processes* and *Theme 5 – Coastal and Marine Ecosystems and Processes*) give a clear description of the importance of freshwater and coastal and marine ecosystems and processes to the tourism industry and the wider New Zealand economy.

Theme 3 – Freshwater ecosystems and processes

Fresh water is a pivotal resource for the tourism industry

25. The tourism industry is a highly competitive global industry. New Zealand's environment is the New Zealand tourism industry's unique selling point and underpins our 100% Pure New Zealand tourism brand. Data from the International Visitor Survey conducted for MBIE shows that the top factor for influencing visitors to choose New Zealand is our natural landscape and scenery.
26. Fresh water (and healthy fresh water ecosystems) is fundamental to supporting our natural landscapes - it is an essential and valuable aspect of 'infrastructure' for a sustainable and economically successful tourism economy.
27. Fresh water is also integral to many specific products in New Zealand's iconic and high value adventure tourism industry and to New Zealand's world class guided fresh water fishing industry. Tourism New Zealand data shows that in 2015, 20% of our international visitors took part in raft, kayak, canoe, jet boat or fresh water fishing activities. These visitors are high value and staying much longer in New Zealand than the average visitor and also spending well above the norm.
28. The tourism industry is growing rapidly – having hit 3 million visitors in 2015, it is expected that we will reach 4 million international visitors per year by 2019. Industry growth puts pressure on tourism infrastructure, of which fresh water resources and the supported environments are a pivotal component. The current picture shown by statistics on our fresh water quality, the positive results of existing fresh water support efforts, and the high cost associated with 'cleaning up' poor quality fresh water also all indicate that this should be a government priority.

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29. TIA believes that New Zealand can achieve great things by consciously giving primacy and dominance to the preservation and enhancement of our natural resources. In a highly modified, resource-constrained world, New Zealand has a unique opportunity to show, in a planned and deliberate way, environmental leadership and integrity. Such a move would secure a powerful high-value trading proposition for tourism and across many other New Zealand industries, support our nation's social health and ensure our next generation inherits a land that is better than today.
30. The 'use' of fresh water by the tourism industry is largely non-consumptive and therefore difficult to measure in traditional economic models. A better understanding of the economic value of fresh water to tourism and how to integrate this understanding into fresh water management processes would be invaluable to the tourism industry and to New Zealand - particularly when looking at establishing best economic use and high value use of water, including the effects on the natural landscape of changed water use, storage and infrastructure.
31. Visitors are low-impact users of fresh water. There is a research gap in the economic benefits of the commercial fresh water activities and how this compares against other commercial users.
32. TIA recommends a stronger representation of tourism and the importance of freshwater ecosystems to the tourism industry in Theme 3 – Freshwater ecosystems and processes.

Theme 5 – Coastal and Marine Ecosystems and Processes

Marine protected areas are very valuable to New Zealand tourism

33. Tourism operators such as whale watch operators, seal swimming operators, diving and snorkelling operators, kayak operators and recreational fishing charters have strong links and interest in marine protected areas.
34. The International Visitor Experience Monitor 2015¹ shows that New Zealand's natural environment is a key reason to visit for international visitors. TIA is of the opinion that establishing marine protected areas around New Zealand will have a positive impact on attracting both international and domestic visitors.
35. Positive impacts of marine tourism activities include changes in the quality and quantity of goods and services as the development of tourism may lead to a wider array of goods and services available in an area. Other outcomes include greater employment, better services and infrastructure, improved health and improved standards of living.²

¹ Source: <http://www.tourismnewzealand.com/markets-stats/research/infographics/visitor-experience/>

² Source: http://www.nztri.org/sites/default/files/MFish_Final_Report_06NOV09-rs.pdf

36. Marine tourism provides an important source of income for the local community. Visitors spend money on water-based activities. Marine areas also have an enjoyment value for people, both locals and visitors, which often cannot be measured in terms of a specific dollar value. Businesses naturally emerge around marine areas due to the array of opportunities within recreation and water-based activities. These activities generate economic wealth that has the potential to benefit the local community.³
37. TIA recommends a stronger representation of tourism and the importance of coastal and marine ecosystems to the tourism industry in Theme 5 – Coastal and marine ecosystems and processes.

Invaluable insight to the New Zealand tourism industry

38. As mentioned earlier in this submission, robust research and insight are critical to achieving tourism aspirational goals.
39. The New Zealand tourism industry is highly reliant on the environment in which visitors immerse themselves. Our natural capital, including our fresh water ecosystems and coastal and marine ecosystems, is integral to New Zealand's visitor offering. It supports many of our iconic adventure and outdoor activities, and sustains the natural landscapes that are the top reason visitors come here.
40. As mentioned in the Department of Conservation's discussion document 'Advancing Environmental Education – A National Strategy for Environmental Education for Sustainability'⁴, *our natural environment is fundamental to our wellbeing, resilience and identity as New Zealanders and understanding the way we value and manage our land, fresh water, air, oceans and coasts now will determine our environmental, social and economic future.*
41. The 'use' of our natural capital by the tourism industry is difficult to measure in traditional economic models. A better understanding of the economic value of natural capital to tourism, including our fresh water ecosystems and coastal and marine ecosystems, would be invaluable to the tourism industry and to New Zealand.
42. TIA strongly recommends that this Conservation and Environment Roadmap includes research on the economic value of natural capital to the tourism industry in New Zealand.

FOLLOW-UP PROCESS

43. TIA would welcome the opportunity to participate further in follow-up processes, including any formal meetings, to ensure that the potential impacts on tourism are adequately understood and constructive feedback provided.

³ Source: http://www.nztri.org/sites/default/files/MFish_Final_Report_06NOV09-rs.pdf

⁴ Source: <http://www.doc.govt.nz/pagefiles/160872/advancing-eefs-background-document-2016.pdf>

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CONCLUSION

44. TIA is concerned to see that although tourism is incorporated in the scene-setting discussion of the discussion paper, tourism is completely absent from any of the science initiatives within the 12 themes.
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BACKGROUND

49. Tourism for New Zealand is big business as the country's largest export sector. It is a major contributor to the New Zealand economy that will always be here and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean and pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.
50. The tourism industry delivers the following value to New Zealand's economy:
 - Tourism in New Zealand is a \$81.6 million per day and \$29.8 billion a year industry.
 - The tourism industry directly and indirectly supports 12.1% of the total number of people employed in New Zealand. That means 295,908 people – one in eight – are working in the visitor economy.

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- Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015).

End.

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