

## Media Statement

### Tourism Mood Lifts

**Thursday 13 August 2009 – For immediate release**

The recently released Tourism Industry Monitor shows that tourism operators are becoming more optimistic about the near future.

While past and expected demand and profitability levels were still negative, operator sentiment is on the improve.

Overall, demand for the three months to the end of July was down 3.0% and profitability was down 4.1%. However, these results were significantly up on last month's monitor, indicating a positive shift.

For the next three months demand is expected to be down 1.1% and profitability by 3.6%. Again, these results were up on last month, also indicating a more optimistic outlook amongst operators.

Bruce Bassett, Ministry of Tourism Research Manager says that it was encouraging to see a lift in sector confidence, but cautioned that it would be some time before we really know when a sustained recovery is underway.

"These indicators show that things are moving in the right direction but we can't get too excited yet. Our forecasts indicate a moderate recovery of 2.5% in international arrivals in 2010, followed by 6.5% growth in 2011."

New Zealand Hotel Council Chair, Jennie Langley, says that hoteliers were still finding business was extremely competitive, but they had adapted well to changing trends such as last minute bookings and a different visitor mix.

"It's difficult to generalise because hotels around the country are experiencing different challenges depending on where they are located, the type of property and where their core business comes from, but they know that by maintaining quality standards and delivering real value they'll be well positioned as the market picks up."

Tourism Industry Association New Zealand Chief Executive Tim Cossar says it is encouraging to see tourism operators are feeling more optimistic.

"While one size doesn't fit all in tourism, the great ski season and recent positive announcements like Air New Zealand's new Sydney-Rotorua route are certainly helping to lift the mood of the industry. It's still an incredibly tough market but we are hearing an increasing number of more positive reports coming from our international markets. Long-term, tourism will be a key part of leading New Zealand out of the economic downturn."

Tourism New Zealand Chief Executive George Hickton says positive numbers out of the Australian market have helped buoy the industry during a challenging period and there are some hopeful signs for summer.

“By keeping a high profile for New Zealand in Australia we have had a strong season out of our largest market, not just for ski, but all winter activities. While many operators are suggesting that the summer might be slow to start with, activity is likely to pick up later in the season.”

The Tourism Industry Monitor is an industry wide initiative. It is designed to provide the industry with monthly information on the performance of the tourism sector, including the short-term outlook. It is led by the Ministry of Tourism, the Tourism Industry Association, Tourism New Zealand and the New Zealand Hotel Council.

For a copy of the Tourism Industry Monitor visit [www.tourismresearch.govt.nz/tim](http://www.tourismresearch.govt.nz/tim).

For further information, please contact:

Bruce Bassett – Research Manager, Ministry of Tourism – 021 609 674

Cas Carter – Corporate Communications, Tourism New Zealand – 021 915410

Ann-Marie Johnson – Writer and Communications Advisor, Tourism Industry Association – 027 600 4565

Jennie Langley – Chair, New Zealand Hotel Council - 021 730 387

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