



17 March 2009

Media Release

Australian funding boosts tourism operators

Attracting more Australians to visit New Zealand will give a much needed fillip to New Zealand's tourism industry, the Tourism Industry Association New Zealand (TIA) says.

The clear show of Government support for the industry, demonstrated by Prime Minister John Key's announcement today of an additional \$2.5 million for tourism promotion in Australia, will also provide a boost to tourism operators facing an uncertain future, TIA Chief Executive Tim Cossar says.

The subsequent announcement that Air New Zealand will match the Government's spend in Australia, upping the total new marketing funding to \$5 million, is fantastic for the industry, as well as New Zealand's economy, he says.

"This is a great result for every region of the country. On behalf of its members, TIA has consistently called for more marketing effort to be put into Australia. With almost one million visitors a year from across the Tasman, Australia is our biggest visitor market and our biggest growth market," Mr Cossar says.

"New Zealand is a short-haul trip that offers great value for Australians and that is why we need to ramp up the 'come to New Zealand' message in this market above all else. Many individual New Zealand tourism operators and organisations are already doing significant marketing in Australia and the new funding announced by Mr Key and Air New Zealand will support their efforts. We want to ensure Australian arrivals stay in growth mode."

TIA members Real Journeys and Tourmasters South Pacific (NZ), who both invest in marketing in Australia, say the extra funding will provide a tangible boost to the tourism industry.

Real Journeys CEO Dave Hawkey says it is an excellent move by the Government.

"The Australian market is very important to New Zealand tourism. Along with the favorable exchange rate and competitive trans-Tasman airfares, this funding will help stimulate demand at a time when our long-haul markets are softening," Mr Hawkey says.

Tourmasters Chief Executive Brian Henderson describes the announcement as fantastic.

“It’s an investment that will certainly pay off in terms of injecting foreign exchange into New Zealand’s economy. This comes at an ideal time to lure more Australians to visit New Zealand in the low season.”

Mr Cossar says TIA looks forward to working with the Government, Tourism New Zealand Air New Zealand and other industry agencies to welcome more Australian visitors.

Australian market fast facts

- There were 978,003 visitor arrivals from Australia in the year ended January 2009 (up 2.3% on the previous 12 months)
- Australian visitors spend a total of \$1.5 billion a year – an average of \$1800 each
- The average Australian stays 12 nights
- Most Australians come to New Zealand on holiday or to visit friends and relations
- Australia can deliver visitors in the quieter shoulder seasons and is a growing market for ski operators in winter

Key Facts

- Tourism contributes close to 10% of New Zealand’s gross domestic product (GDP)
- Tourism employs nearly one in ten New Zealanders(108,100 FTE directly and 73,100 FTE indirectly).
- Tourism in New Zealand is a \$50 million per day industry. Tourism delivers \$24 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$26 million in economic activity every day.
- Total tourism expenditure reached \$20.1 billion for the year ended March 2007. International visitor expenditure accounted for \$8.8 billion or 18.3% of New Zealand’s foreign exchange earnings.

Visit www.tianz.org.nz for more information.

For further information, please contact:

Ann-Marie Johnson
Senior Communications Advisor
Tourism Industry Association (TIA)
Phone: 04 496 5001
Mobile: 027 600 4565

Email: ann-marie.johnson@tianz.org.nz