



**Tourism
Industry
Association
New Zealand**

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Preliminary comments to the

**Local Government New Zealand
Working Party on Tourism**

**on the
Role of Local Government in Tourism**

March 2002

Local Government's Role in Tourism

The purpose of this document is to set out TIANZ position on the role of local government in tourism.

It provides general comments on local government's overall role, and then considers local government's ideal role based on key recommendations in the Tourism Strategy 2010.

General Comments

There is a symbiotic relationship between tourism and communities. Supportive communities enable tourism to flourish in local areas, and enable the creation of a supportive environment for tourism. At the same time, tourism provides employment, business activity and enhances the local rating base of local communities. Tourism potential can also be a catalyst for the development (and funding) of amenities and enhanced public spaces in local areas.

Overall, there are wide public benefits that accrue to local areas that support tourism.

Tourism and Local Government

TIANZ recognises the importance of a strong partnership between central government, local government and the tourism industry, in developing a vibrant tourism industry.

Councils exert considerable influence on the tourism industry by virtue of their funding powers and expenditure, their support of Regional Tourism Organisations and their role in district planning and resource management.

TIANZ believes that local authorities can add value to the tourism industry where they:

- engage in fair and equitable rating practices and ensure that funding decisions lead to productive outcomes for all sectors of the community, including the business community.
- undertake activities that lead to high public good outcomes, while refraining from new activities that compete with private sector activities.
- have well-developed business-friendly regulatory practices, that facilitate business development in the tourism industry.

- ensure that core infrastructure in their areas such as water/wastewater, local roads, parks and community amenities are of a high standard and can support a vibrant tourism industry.
- recognise the importance of early and frequent consultation with the business community, especially on any decisions that directly affect the business community.
- work with the tourism sector to promote and market local areas effectively.

In summary, TIANZ believes that local authorities have a role in providing and funding infrastructure that serves as the foundation of a vibrant tourism industry, and in undertaking public good activities that encourage and support tourism activities in their areas.

Tourism Strategy 2010

TIANZ has recently, in partnership with Government and other stakeholders, developed a National Tourism Strategy to the year 2010 for New Zealand.

Key strategic projects based on principles of sustainable development identified in the Strategy include:

- defining industry infrastructure requirements and constraints.
- preparing and developing an investment and development strategy.
- identifying opportunities to improve the quality of visitor experiences.
- developing Quality Tourism Standards across all sectors of industry.

TIANZ believes that any solutions to industry issues must be cost effective and demonstrate sustainable economic, social and environmental benefits to all stakeholders.

Tourism Strategy 2010 in Detail

There are six recommendations in the Strategy that directly cite local government. These include:

- **Recommendation One**-the establishment of a new jointly owned and funded private/public sector organization with Local Government New Zealand being involved in the members' appointment process.
- **Recommendation Five**-local government building stronger links with New RTOs.
- **Recommendation 11**-the adoption of a whole-of-sector model to reduce complexity and improve efficiency in tourism planning and development.

- **Recommendation 24**-New RTOs work closely with regional and local government to closely align destination marketing and management.
- **Recommendation 27**-TLAs and central government confirm their long-term commitment to the tourism sector and confirm required infrastructure.
- **Recommendation 40**-central and local government and the private sector develop a model and agree on roles and responsibilities in relation to tourism infrastructure needs.

TIANZ considers that Recommendations 11, 27 and 40 are the most important of all to action as soon as possible.

TIANZ’s Position on Critical Recommendations

- **Recommendation 11**-A balance is required between the sustainable management of our natural resources, and the economic development of our communities. TIANZ supports councils as they develop tourism friendly regulatory practices that facilitate the development of sustainable tourism activities. The tourism industry has an important role in identifying regulatory obstacles to sustainable tourism development, regulatory ‘best practices’. We urge local government (and individual local authorities) to closely involve the tourism industry as it goes through this exercise, to ensure that the outcomes are both relevant and beneficial to communities and the tourism industry.
- **Recommendation 27**-TIANZ supports Local Government New Zealand in its exercise to raise the awareness of tourism as an important local industry that has the potential to enhance the economic development of local areas. TIANZ also undertakes activities that work to raise the profile of tourism and intends to ensure that future work runs in parallel with Local Government New Zealand’s efforts. TIANZ believes that the planning and provision of community infrastructure services to support and enhance the economic, social and environmental sustainability of local areas is a core role for local government.
- **Recommendation 40**- We believe this is closely related to, and builds upon Recommendation 27. TIANZ supports the use of general rates, user-pays charging, and long-term loans as appropriate mechanisms for funding infrastructure services. This recognises that all sections of the community make use of, and derive benefits from sound basic services such as roading, water and wastewater services. TIANZ rejects the principle that particular communities of interest (including particular industry sectors) should be targeted to fund infrastructural services, and/or any other services that benefit all sections of the community.

Conclusion

TIANZ believes that local government has a definite role to play in promoting tourism activity in local areas. In particular, this role should extend to:

- Providing and funding (but not necessarily managing) core infrastructural services that are the building blocks for economic development.
- Engaging in regulatory practices that ensure sustainable communities while facilitating tourism activity that is consistent with the principles of sustainability.
- Raising community awareness of the many benefits that can be gained from a vibrant tourism industry.

*Tourism Industry Association New Zealand (TIANZ)
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