



**Tourism  
Industry  
Association  
New Zealand**

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Zealand**

**Comments to the**

**Commerce Committee**

**on the  
Industry New Zealand and Trade New  
Zealand Integration Bill**

**April 2003**

## **About the Association and the Industry**

The Tourism Industry Association New Zealand (TIANZ) represents the interests of over 3,500 businesses in the tourism industry.

Tourism is a \$15 billion industry and generates 13% of New Zealand's exports. The tourism industry employs 1 in 10 New Zealanders in a diverse range of businesses – the majority of which are small and medium sized enterprises. Not only is tourism important because of its size, it is also:

- Highly employment intensive;
- Regionally dispersed;
- Has the flexibility to change its target markets quickly as conditions change;
- Can offer a good return on investment.

More than 15,000 small and medium sized businesses make up the tourism industry. Of these businesses, most employ less than five people.

Last year, New Zealand welcomed almost two million overseas visitors to its shores. The domestic tourism industry is also important in helping to sustain a vibrant tourism industry. TIANZ estimates that over 75 million visitor nights are spent by New Zealanders every year.

TIANZ welcomes the opportunity to comment on this Bill and to making an ongoing contribution to the discussions about how the new agency will operate.

This submission contains:

- Some overview comments on the importance of Industry New Zealand (INZ)/Trade New Zealand (TNZ)
- Comments on specific aspects of the Bill.

## **Central government's role in economic development**

TIANZ has supported the existence of economic development agencies such as Industry New Zealand and Trade New Zealand. We believe that agencies such as these are vital in developing a strong and innovative New Zealand economy.

TIANZ believes there will be a number of benefits from this merger including:

- Improved economies of scale and sharing of resources
- Onshore and offshore initiatives that complement one another
- The development of a 'one stop shop' approach to economic development
- Greater co-operation, less competition, and less duplication between agencies.

TIANZ strongly supports the merging of Industry New Zealand and Trade New Zealand.

## **Specific comments about the Bill**

TIANZ recognises this Bill is largely mechanical and establishes the new merged agency, and sets out its functions and governance arrangements.

However, we wish to make comments about a specific section of the Bill relating to the Planning-Statement of Corporate Intent.

## **Planning-Statement of Corporate Intent**

The Statement of Intent of INZ/TNZ has the purpose (amongst others) of:

“setting out INZ/TNZ’s medium-term intentions and commitments”, (section 54, clause (a).

TIANZ recommends the provisions of this section be extended to enable interested stakeholders to have input to the “medium-term intentions and commitments” of INZ/TNZ, given that external stakeholders have a strong stake in the relevance and effectiveness of INZ/TNZ programmes.

In particular, TIANZ recommends an additional clause in section 54 which states:

“enabling stakeholders to participate in the process of setting those intentions and commitments.”

We also recommend the addition of a further section entitled: *Process for obtaining stakeholders’ input for Statement of Intent*. This statement should consist of the following:

“The Minister may, prior to finalising the Statement of Intent, seek comments from the public on the contents of the Statement of Intent.”

TIANZ believes that the addition of this new content to the Bill will provide an opportunity to those that will use the services provided by INZ/TNZ to have input to the “medium-term intentions and commitments” of INZ/TNZ.

## **Conclusion**

That the Committee notes the contents of this submission and agrees to its recommended changes.

*Tourism Industry Association New Zealand (TIANZ)  
April 2003*