

**July 2020**

## **Terms of reference for New Zealand Tourism Futures Taskforce**

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### **Background**

1. Globally international tourist arrivals grew from 0.95 billion in 2010 to 1.46 billion in 2019 (an increase of 53.5%), due to lowered costs of travel and increased wealth and demand for travel in developing nations<sup>1</sup>. Visitor arrivals to New Zealand rose by a similar rate over that period.
2. This growth had led to global concerns about 'over-tourism', while in New Zealand there were concerns raised about crowding at some peak places at peak times, and focussed around some activities (e.g. 'freedom camping') impacting the social license of the sector.
3. The outbreak of novel coronavirus (COVID-19) has essentially eliminated visitor movement and tourism spend and, as a result, tourism is one of the most negatively impacted sectors in the New Zealand economy.
4. Losses from COVID-19 in the tourism sector could subtract an estimated 2.4% - 4.7% from New Zealand's GDP this year<sup>2</sup>.
5. There is considerable uncertainty about when international tourism in New Zealand will recover, with variables including the state of air networks, consumer demand and preference and regulatory barriers to travel, as well as the shape of the New Zealand industry to meet demand.
6. As a result of COVID-19, there has been a permanent change to the nature of global travel. However, in the absence of policy and regulatory change, there is a risk of encountering the same challenges in the tourism system that existed before 2020. The opportunity is to identify what we'd change in order to produce a better outcome.
7. Recent discussion with key industry stakeholders indicate that the vision of the New Zealand – Aotearoa Government Tourism Strategy still resonates. The Tourism Strategy was co-designed with industry, Māori, and environmental non-government organisations. The Strategy's goals are:
  - a) Tourism sector productivity improves
  - b) New Zealand-Aotearoa delivers exceptional visitor experiences
  - c) Tourism protects, restores and champions New Zealand-Aotearoa's natural environment, culture and historic heritage
  - d) New Zealanders' lives are improved by tourism
  - e) Tourism supports thriving and sustainable regions – ensure regional dispersal of visitors and enable visitor flows.

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<sup>1</sup> United Nations World Tourism Organisation – Global and Regional Tourism Performance

<sup>2</sup> ANZ Research – New Zealand Weekly Focus, 25 May 2020

8. This could be summarised as a conscious objective to move to a tourism system based on value and values. That is, tourism can and must deliver more than financial benefits.
9. To successfully position the tourism sector in this kind of future, in a post-COVID environment, many substantive issues must be addressed. These intersect with a range of government portfolios, examples of which include border settings; smart border measures; support for the aviation sector; climate change mitigation and adaptation; and addressing issues around the sustainability of the tourism sector in terms of its interaction with the environment, public conservation land and waters, local government and host communities.
10. These issues are complex, and require all-of-government and industry leadership and deep policy and regulatory expertise. To generate the step change needed to create a more sustainable, productive and inclusive tourism sector post COVID-19, this public-private Taskforce will lead the journey towards improved long-term outcomes for tourism, including high productivity, and greater value and benefits to communities.

*Shared responsibility and clear accountability is key to success*

11. On 13 May, Cabinet agreed:

- a) that the Minister of Tourism would establish a New Zealand Tourism Futures Taskforce, consisting of cross-government and tourism sector representatives, to lead thinking on the future of tourism in New Zealand;
- b) that the New Zealand Tourism Futures Taskforce will have an independent chair, and membership decided in consultation with the Tourism Recovery Ministers Group; and
- c) that the New Zealand Tourism Futures Taskforce will make an initial report on the outline of a reimaged tourism sector by the fourth quarter of 2020.

### **Purpose/role**

12. The primary purpose of the New Zealand Tourism Futures Taskforce (the Taskforce) is to:

- a) advise on the broad options that will systematically align the tourism system to one that enriches both New Zealand and the wellbeing of New Zealanders, meaning that tourism will contribute more than it consumes against the four capitals: economy, society, environment and culture
- b) make recommendations to address the long-standing productivity, inclusivity and sustainability (environmental, social and economic) issues present in some parts of the sector.

13. The Taskforce must seek to create a shift in the tourism system. The New Zealand tourism system should be one that is fit for purpose, allows innovation, builds resilience, supports and encourages sustainable, productive practices, fosters the participation of Māori and the incorporation of Tikanga Māori in the tourism sector. The Taskforce should not be constrained simply by what can be done now within the current rules, instead it must consider what needs to be done and what the most appropriate outcome will be.

14. The Taskforce will prioritise opportunities that will shape and impact tourism. It will not re-litigate what are already well-known issues, but will focus on solutions, engaging with short-term decisions and actions, and providing recommendations on the future place of tourism in New Zealand.
15. The Taskforce and the Tourism Recovery Ministers Group must engage regularly to ensure that thinking, decisions and actions made in the short-term by both parties will inform direction and discussions on the long-term issues, in order to achieve a dynamic result for the tourism sector in New Zealand.
16. The Taskforce will be informed by existing thinking on the future of tourism including Tourism Industry Aotearoa's Tourism 2025 and Beyond, the Parliamentary Commissioner for the Environment's report into tourism (2019), the New Zealand – Aotearoa Government Tourism Strategy and Tourism New Zealand's consultation on the reimagining of tourism in April and May 2020.
17. The Taskforce will report to the Tourism Recovery Ministers Group. The Taskforce will provide an interim statement to Cabinet in December 2020 and final recommendations about the future of tourism will be submitted on or before 2 April 2021.

### **Objectives / Outcome**

18. This Taskforce will develop recommendations on further policy and regulatory reform in the areas of sustainability, social license and the cultural and economic value of tourism in New Zealand. Recommendations should be made for substantive change where required, and creative 'outside the box' thinking.
19. The Taskforce will engage with short-term decision making and actions on the future of tourism in New Zealand to make sure its long-term recommendations are supported by and consistent with these decisions.

### **Membership and structure**

20. The Taskforce will be led by independent co-chairs who will deliver advice and reports to the Tourism Recovery Ministers Group for consideration and action in the short and long term.
21. The Taskforce will consist of 6 – 8 core members and be supported and informed by an Advisory Group. The Taskforce will be responsible for decision-making and recommendations, and the Advisory Group will be used to test solutions and synthesise information to support the Taskforce.
22. The Taskforce and the Advisory Group are a public-private partnership and will be a forum for collaboration. Membership of the core group will be approved by the Tourism Recovery Ministers Group, with the Advisory Group invited and appointed by the co-Chairs.
23. The Taskforce and Advisory Group membership will include representatives from a cross-section of New Zealand's public and private sectors including but not limited to: local government, regional tourism organisations, New Zealand Māori Tourism, Iwi, communities, environmental groups, aviation, accommodation, transport, attractions, inbound tourism operators, New Zealand Conservation Authority, academia, recruitment/labour, unions, hospitality, retail, youth, agriculture and events.

24. The Taskforce will also seek to include views from sectors indirectly impacted by tourism. The membership of both groups represent the cross-cutting nature of the tourism system and its impacts on many portfolios and sectors.
25. Members of the Taskforce and Advisory Group shall not represent an individual stakeholder, but rather apply their expertise with the aim of improving the tourism system more broadly. It is accepted that members may have a policy orientation, sector or a perspective, but should seek to broadly act in the interests of the sector and society as far as practicable.
26. Industry bodies should seek to present the views of the majority of their members – where this is possible - and ensure significant minority/dissenting views are made known to the Taskforce. This is necessary in order to keep the membership of the Taskforce and Advisory Group to a workable size.
27. The Taskforce may also consult directly with a wide range of stakeholders during the course of their work, including but not limited to New Zealand Māori Tourism, local/regional economic development entities and the Parliamentary Commissioner for the Environment.
28. The Taskforce will be able to seek independent advice and analysis on any matter within the scope of the terms of reference. The secretariat will facilitate input from other government agencies or other organisations where they have particular interest or expertise.
29. The Ministry of Business, Innovation and Employment will be accountable for secretariat support.

### **Role of the independent chair(s)**

30. The Chair(s) of the Taskforce are responsible for:
  - a) ensuring the Taskforce operates in a manner that enables it to undertake its role and functions;
  - b) acting as the spokesperson for the Taskforce;
  - c) maintaining liaison with the Tourism Recovery Ministers Group;
  - d) managing any conflict of interest or lobbying that may arise;
  - e) liaising with the secretariat on all matters relating to the role of the Taskforce.
31. The independent chairs will provide the leadership required to deliver an ambitious set of recommendations. They will ensure that the standards of sustainability and inclusivity are central to this project and that perspectives across the breadth of the Tourism industry are considered. They will also ensure that perspectives of Tikanga Māori are incorporated, and that intergenerational perspectives and the needs of a diverse range of users of the tourism system are considered.

### **Members' responsibilities**

32. Members collectively and individually agree to:

- a) Maintain regular attendance at scheduled meetings
- b) Advise in advance if unable to attend scheduled meetings.
- c) Be prepared and informed
- d) Respond to issues in a timely manner
- e) Be impartial, an advocate for the Taskforce and a conduit for market intelligence from other related industries and agencies
- f) Contribute constructively and openly to the work of the group
- g) Support the principles of collective interest and collaboration
- h) Declare conflicts of interest at the commencement of each meeting and on receipt of material.
- i) Use roles to exercise leadership and influence over the industry and other agencies involved.

### **Agency responsibilities**

33. During the project there is an expectation that the government agencies represented on the Taskforce will also:
- a) Ensure their agency is briefed and kept up to date on progress
  - b) Ensure their agency has a common position on how to support each engagement
  - c) Offer resources to the project.

### **Reporting and Timeframes**

34. The Taskforce will meet for the first time no later than Friday, 31 July 2020. Timings for Taskforce meetings will be determined by the chairs, and additional meetings can be arranged with the agreement of Taskforce members.
35. The Taskforce will operate on the basis of consensus, and where it is not possible to achieve a consensus, on the basis of a majority decision. Once the Taskforce has made a decision, each member will support that decision so that the Taskforce has one collective view.
36. The Taskforce will operate for a fixed-term of 12 months, with an option to extend for an additional 12 months, at the request of the Tourism Recovery Ministers Group.
37. An initial report on the future of tourism will be due to Ministers before 4 December 2020, with recommendations on implementation on or before 2 April 2021.