



TOURISM LEADING INDICATORS MONITOR

SERIES 2009/11 **DECEMBER 2009** NEW ZEALAND

This edition provides new data on:

- Inbound and Outbound Travel Nov 09
- Commercial Accommodation Oct 09

It highlights how the tourism industry is tracking as it approaches the peak summer months. Indications are that demand level is likely to match that of last year.

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CONTENTS

Commentary	2
Inbound Tourism	4
Outbound Tourism	6
Commercial Accommodation	8
International Visitor Expenditure	11
Domestic Tourism	12
Tourism Satellite Account	13
Tourism Forecasts	14
Trends and Patterns	15
Explanatory Notes	28

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COMMENTARY

Tourism heading towards peak season expecting demand to match last year

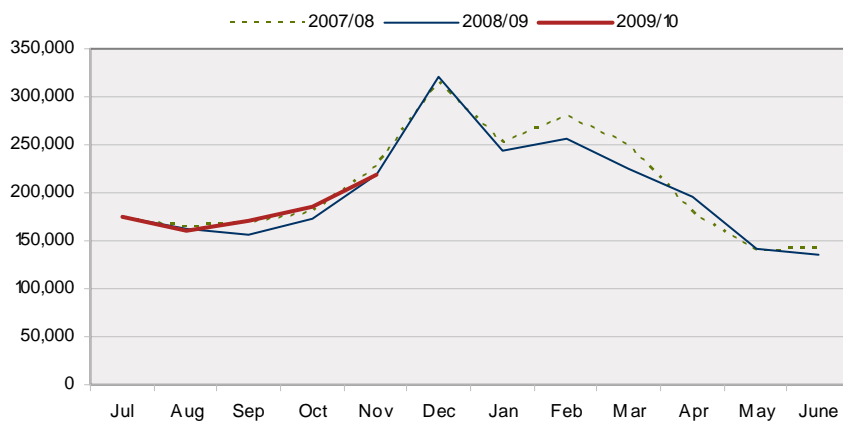
2009 has been a particularly challenging year for the tourism sector. However, as we head towards the peak summer season it is in a reasonably good position and perhaps better than would have been anticipated even a few months ago.

On a year-ended basis, international arrivals have improved from -3.9% for YE March to -0.6% for YE November. International visitor arrivals over the last three months had been tracking above last year's levels (refer Figure 1). The month of November was up slightly by 0.3% on the previous year but below the 2007 year.

December is always New Zealand's peak month for international arrivals. There are many expatriate New Zealanders who come home for Christmas which drives an influx of VFR arrivals. December 2008 was a record month for arrivals despite the economic downturn.

Overseas arrivals in the first week of December 2009 were up by 5% on last year (refer Figure 3), providing a positive signal for the next few weeks and months. This is reinforced by the latest Tourism Industry Monitor which shows that more tourism businesses are expecting better demand over the next three months than those who expect lower demand.

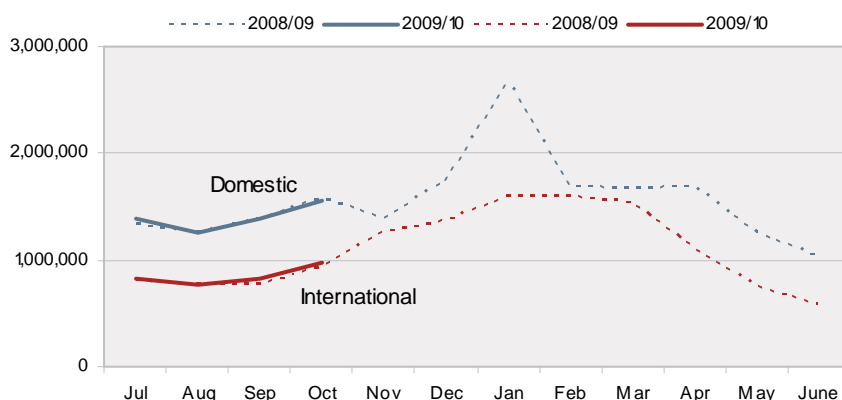
Figure 1: Monthly International Visitor Arrivals, 2007-2009



International visitor arrivals in the summer months are likely to be as popular as last year.

A similar pattern of growth is seen in the demand for commercial accommodation (refer Figure 2) which shows that both international and domestic guest nights over the last four months have been tracking very closely to the levels of the previous year.

Figure 2: Monthly Commercial Accommodation Guest Nights, 2007-2009



International and domestic guest nights are tracking at similar levels to last year.

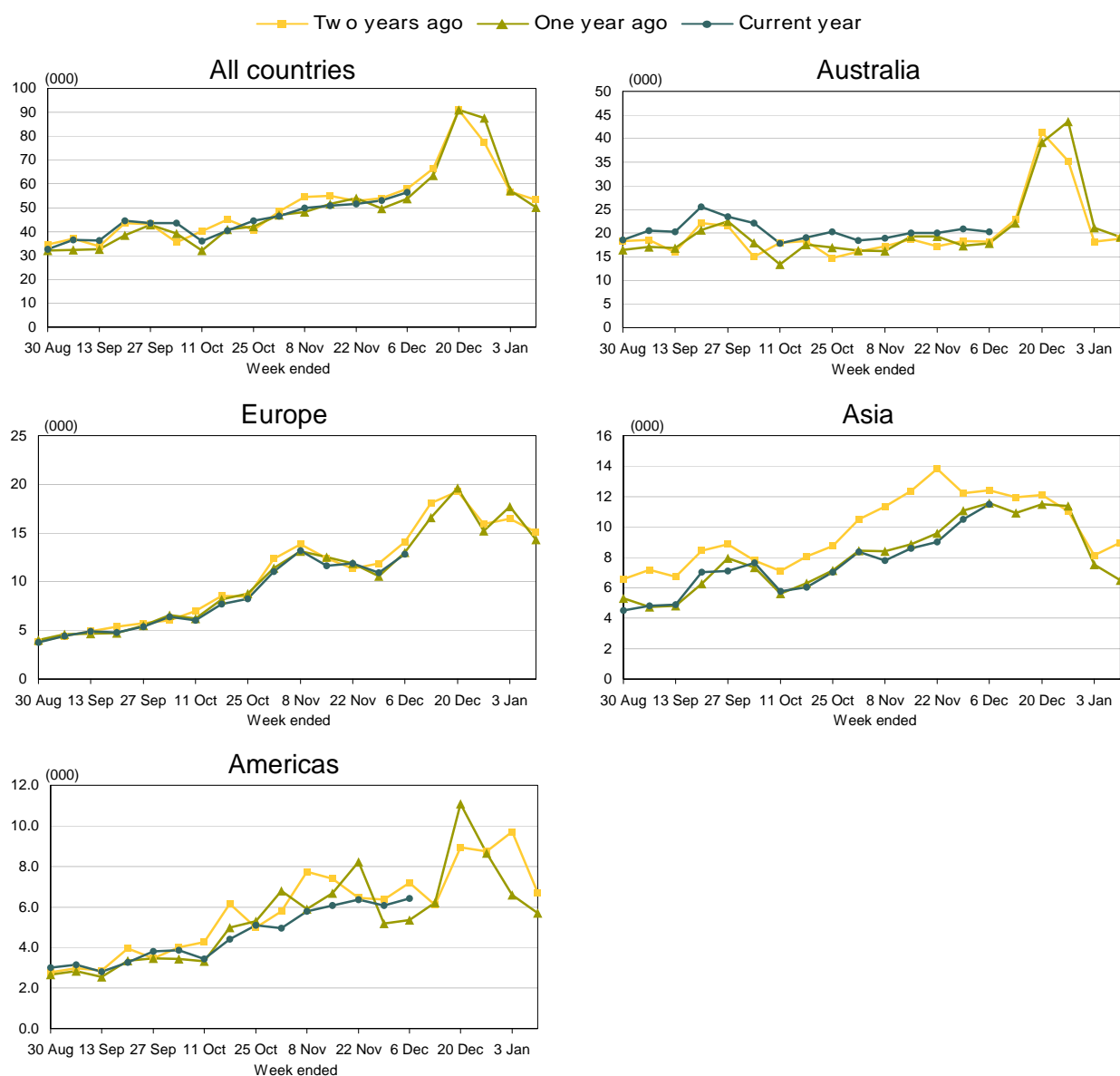
The stability in the patterns of the above graphs reflects the underlying strength of tourism which continues to generate demand even in a difficult operating environment.

COMMENTARY

The most recent provisional weekly overseas visitor arrival data provides the latest sector tracking information up to the week ended 6 December 2009 (refer Figure 3).

These graphs highlight that total international arrivals are tracking slightly above last year by 1.3% for the 4-week period ended 6 December 2009. There are mixed performances in the different markets. The Australian market is up by 10%, well above last year. The European (-1.5%), America (-2.0%) and Asian (-3.7%) markets are below last year. These weekly arrival patterns show the normal seasonal build up to the Christmas and New Year peak period.

Figure 3: Provisional weekly Overseas Visitor Arrivals (up to 6 December 2009)



The Ministry's research website link below has more detailed coverage for the top ten countries. This series will be next updated on 11 January 2010.

We wish readers and tourism businesses a Merry Christmas and a prosperous New Year.

<http://www.tourismresearch.govt.nz/Data--Analysis/Key-Statistics/Weekly-In-and-Outbound-Statistics/>

1. INBOUND TOURISM

International Visitor Arrivals, November 2009 - In the month of November 2009 there were 219,939 international visitor arrivals, up by 0.3% (630) compared to November 2008.

Markets – Visitors from Australia (up 7,300 or 9.5%) recorded the largest increase in November 2009. This was followed by Hong Kong (up 510 or 31.8%), France (up 480 or 19.9%), Israel (up 220 or 27.8%) and Germany (up 200 or 2.5%).

In contrast, there were fewer visitors from the United States (down 2,400 or 11.3%), Canada (down 860 or 14.9%), Ireland (down 650 or 32.6%), South Korea (down 620 or 12.5%) and Samoa (down 620 or 28.9%).

Purpose - There were more visitors visiting friends and relatives (up 4,700 or 8.2%) and on business (up 1,500 or 6.2%) in November 2009 compared to November 2008, while there were fewer visitors on holiday (down 620 or 0.6%).

Duration – In November 2009, the average length of stay of visitors was 22.8 days, up 0.4 day from November 2008. The total number of visitor days increased by 2.7% (130,400) to 5.0 million.

Flights – There were 2,418 flight-arrivals in November 2009, 4 flights or 0.2% more than in November 2008.

Annual Arrivals – For the year ended November 2009, there were 2.439 million international visitor arrivals, down by 14,300 or 0.6% on the previous year.

Total visitor days were down by 4.5% to 49.2 million, with the average length of stay down 0.8 day to 20.3 days.

Figure 1a **Growth Rate of International Visitor Arrivals (Month of November 2009)**

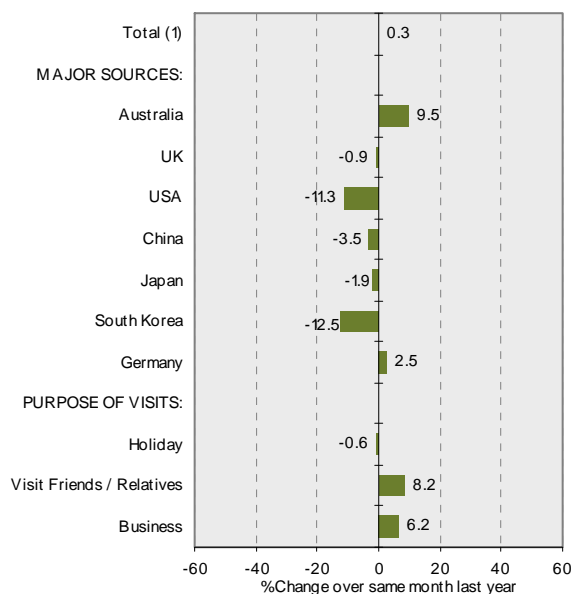
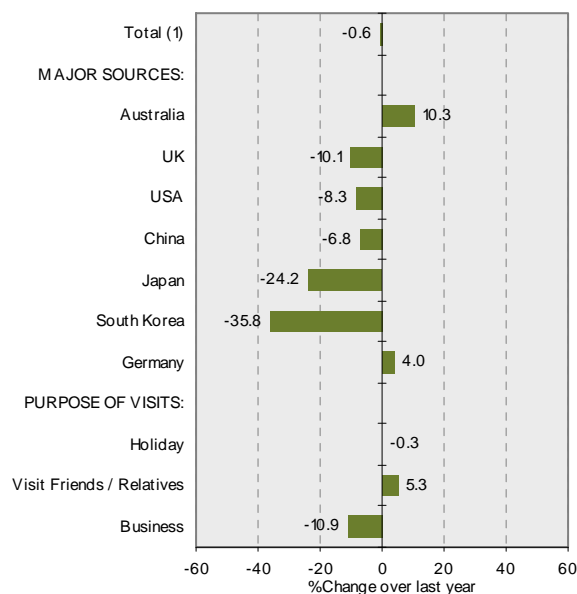


Figure 1b **Growth Rate of International Visitor Arrivals (Year Ended November 2009)**



1. INBOUND TOURISM

Table 1a International Visitor Arrivals (Month)

NOVEMBER MONTH	International Visitor Arrivals			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
Total (1)	228,813	219,313	219,939	-4.2	0.3
MAJOR SOURCES:					
Australia	75,816	77,198	84,502	1.8	9.5
UK	26,616	24,750	24,518	-7.0	-0.9
USA	21,552	21,164	18,768	-1.8	-11.3
China	13,896	11,462	11,063	-17.5	-3.5
Japan	15,096	8,184	8,027	-45.8	-1.9
South Korea	8,784	4,994	4,370	-43.1	-12.5
Germany	7,704	7,898	8,096	2.5	2.5
PURPOSE OF VISITS:					
Holiday	120,528	112,332	111,711	-6.8	-0.6
Visit Friends / Relatives	58,008	57,728	62,468	-0.5	8.2
Business	26,544	23,188	24,633	-12.6	6.2
INTERNATIONAL ARRIVAL FLIGHTS:					
Passenger Flights	2,257	2,414	2,418	7.0	0.2

(1) Totals are actual visitor counts and may differ from sample based data.

Table 1b International Visitor Arrivals (Year)

YEAR ENDED NOVEMBER	International Visitor Arrivals			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
Total (1)	2,467,461	2,453,555	2,439,252	-0.6	-0.6
MAJOR SOURCES:					
Australia	945,600	969,099	1,068,667	2.5	10.3
UK	297,125	286,957	258,060	-3.4	-10.1
USA	217,250	212,626	195,038	-2.1	-8.3
China	119,880	112,155	104,527	-6.4	-6.8
Japan	123,380	104,048	78,885	-15.7	-24.2
South Korea	103,009	81,761	52,462	-20.6	-35.8
Germany	59,058	61,544	63,997	4.2	4.0
PURPOSE OF VISITS:					
Holiday	1,213,129	1,179,660	1,176,065	-2.8	-0.3
Visit Friends / Relatives	712,420	739,166	778,378	3.8	5.3
Business	268,594	257,906	229,794	-4.0	-10.9
INTERNATIONAL ARRIVAL FLIGHTS:					
Passenger Flights	27,784	28,690	29,050	3.3	1.3

(1) Totals are actual visitor counts and may differ from sample based data.

2. OUTBOUND TOURISM

Departures, November 2009 - In the month of November 2009, New Zealand residents undertook 158,400 short-term overseas trips, up by 3,200 or 2.1% compared to November 2008.

Destinations - There were more trips to India (up 1,100 or 22.4%), the United States (up 990 or 18.6%), Indonesia (up 560 or 142.3%), Samoa (up 490 or 16.6%) and South Korea (up 340 or 19.3%).

In contrast, there were fewer trips to the Cook Islands (down 800 or 18.3%), Australia (down 750 or 1.0%), Malaysia (down 360 or 14.7%), the United Kingdom (down 340 or 8.8%) and New Caledonia (down 270 or 35.5%).

Purpose – There were more New Zealanders visiting friends and relatives (up 3,800 or 7.3%) and on business (up 390 or 1.7%) in November 2009 compared to November 2008. In contrast, there were fewer New Zealanders on holiday (down 2,400 or 4.1%).

Duration - The average length of trips in November 2009 was 22.8 days, 0.3 day shorter than in November 2008.

Annual Departures – There were 1.921 million trips undertaken in the year ended November 2009, down by 58,400 or 2.9% on the previous year.

Figure 2a **Growth Rate of Trips Abroad by NZ Residents (Month of November 2009)**

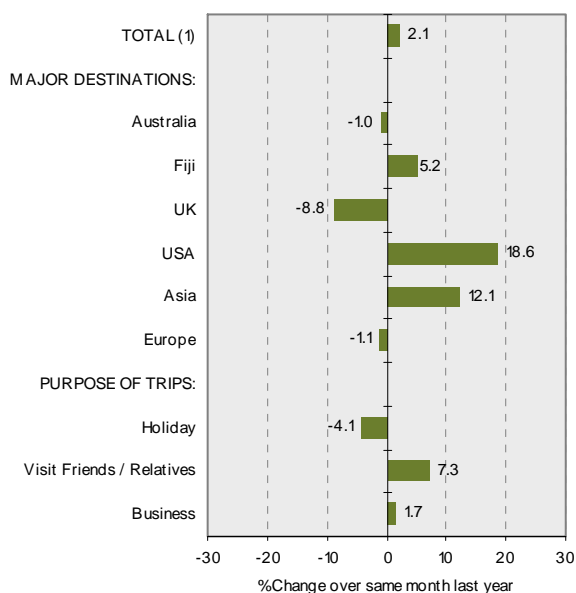
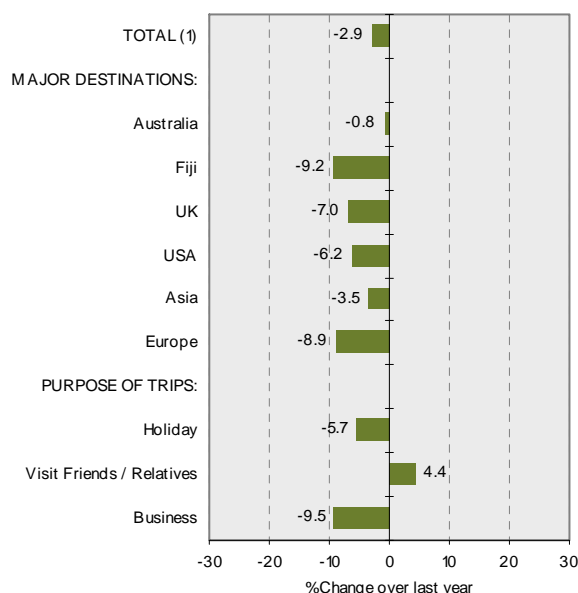


Figure 2b **Growth Rate of Trips Abroad by NZ Residents (Year Ended November 2009)**



2. OUTBOUND TOURISM

Table 2a Trips Abroad by NZ Residents (Month)

NOVEMBER MONTH	Trips Abroad by NZ Residents			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL (1)	159,493	155,231	158,441	-2.7	2.1
MAJOR DESTINATIONS:					
Australia	81,928	77,272	76,518	-5.7	-1.0
Fiji	5,488	6,032	6,345	9.9	5.2
UK	3,976	3,848	3,510	-3.2	-8.8
USA	6,244	5,304	6,291	-15.1	18.6
Asia	27,664	27,898	31,266	0.8	12.1
Europe	7,280	7,150	7,074	-1.8	-1.1
PURPOSE OF TRIPS:					
Holiday	61,600	59,410	56,997	-3.6	-4.1
Visit Friends / Relatives	53,844	52,676	56,511	-2.2	7.3
Business	25,368	23,582	23,976	-7.0	1.7

(1) Totals are actual visitor counts and may differ from sample based data.

Table 2b Trips Abroad by NZ Residents (Year)

YEAR ENDED NOVEMBER	Trips Abroad by NZ Residents			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL (1)	1,970,988	1,979,490	1,921,103	0.4	-2.9
MAJOR DESTINATIONS:					
Australia	979,710	950,151	942,572	-3.0	-0.8
Fiji	95,528	100,772	91,477	5.5	-9.2
UK	95,555	93,722	87,180	-1.9	-7.0
USA	91,817	94,404	88,515	2.8	-6.2
Asia	245,560	259,718	250,566	5.8	-3.5
Europe	176,629	169,905	154,773	-3.8	-8.9
PURPOSE OF TRIPS:					
Holiday	831,578	828,063	781,016	-0.4	-5.7
Visit Friends / Relatives	618,255	632,387	660,237	2.3	4.4
Business	288,315	283,817	256,937	-1.6	-9.5

(1) Totals are actual visitor counts and may differ from sample based data.

3. COMMERCIAL ACCOMMODATION

Guest Nights, October 2009 - In October 2009, a total of 2,525,000 guest nights were spent in short-term commercial accommodation in New Zealand, an increase of 11,000 nights (0.5 percent) from October 2008.

The North Island recorded a decrease in guest nights (down 20,000 or 1.3 percent) while the South Island recorded an increase in guest nights (up 31,000 or 3.2 percent) in October 2009 compared with October 2008.

International and Domestic - In October 2009, guest nights comprised 61.3 percent domestic guests (1.55 million guest nights) and 38.7 percent international guests (0.98 million guest nights). Compared with October 2008, domestic guests nights decreased by 2.2 percent (35,000) while international guest nights increased by 5.0 percent (47,000).

Accommodation Types - Two of the four accommodation types recorded an increase in guest nights in October 2009 when compared with October 2008.

Hotels had the largest increase in guest nights (up 18,000 or 2.1 percent), followed by backpackers (up 16,000 or 5.0 percent).

Motels had the largest decrease in guest nights (down 12,000 or 1.4 percent), followed by holiday parks (down 11,000 or 2.5 percent).

Occupancy - The overall occupancy rate of accommodation establishments in October 2009 was 33.39 percent, down 1.06 percentage point when compared with 34.45 percent in October 2008.

All four accommodation types had a decrease in occupancy, with motels showing the largest fall (46.9 percent, down 2.9 points).

RTOs - In October 2009, Canterbury recorded the largest increase in guest nights (up 8,000 or 2.6 percent) from October 2008. This was followed by Queenstown (up 7,000 or 4.7 percent), Wanaka (up 7,000 or 24.4 percent), Southland (up 5,000 or 16.0 percent) and Mackenzie (up 5,000 or 19.9 percent).

Ruapehu recorded the largest decrease (down 7,000 or 18.2 percent), followed by Taupo (down 7,000 or 7.7 percent), Dunedin (down 5,000 or 6.9 percent), Rotorua (down 5,000 or 3.1 percent), and Hawke's Bay (down 4,000 or 5.1 percent).

Annual - For the year ended October 2009, there was a total of 31,864,000 guest nights, down by 0.8 million (2.5 percent) on the previous year.

Note: Changes in Accommodation Data

Since November 11th two changes have been made to the accommodation data.

1. Data for Regional Tourism Organisation (RTO) areas have been updated to the present boundary structure. This replaces the previous set of RTOs that have been based on the old 1996 boundary structure.

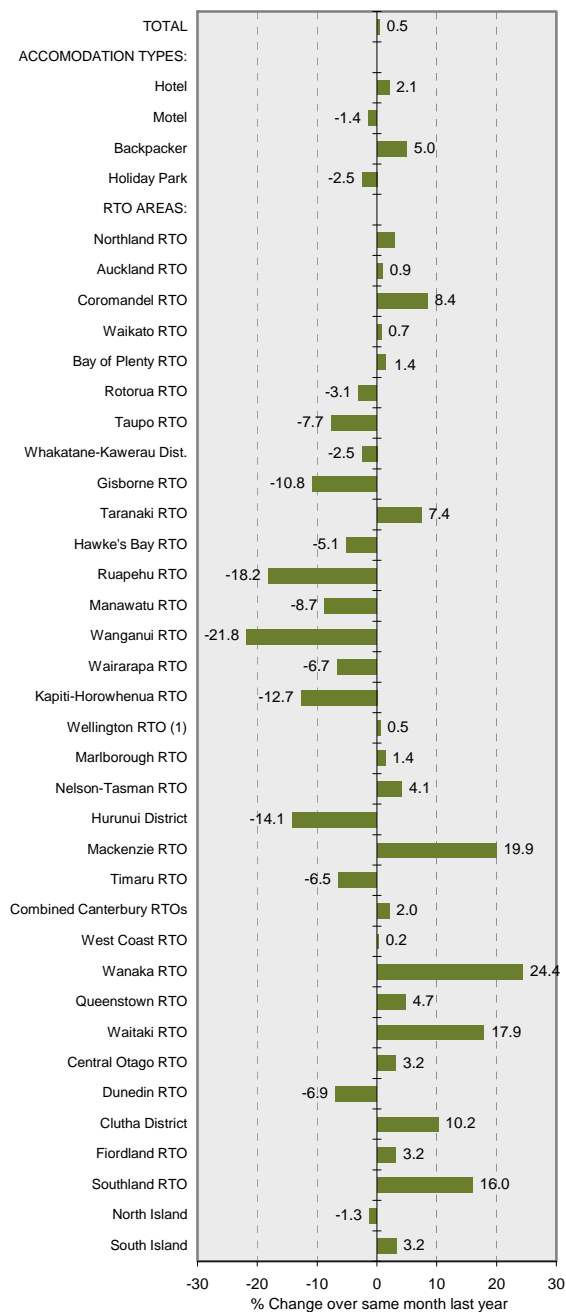
2. The "hosted" accommodation type has been removed from the data.

All historical data has been reproduced on this basis.

These changes are part of the outcome of the Review of Accommodation Survey undertaken by Statistics New Zealand and the Ministry of tourism, with aim of reducing respondent burden while maintaining data quality.

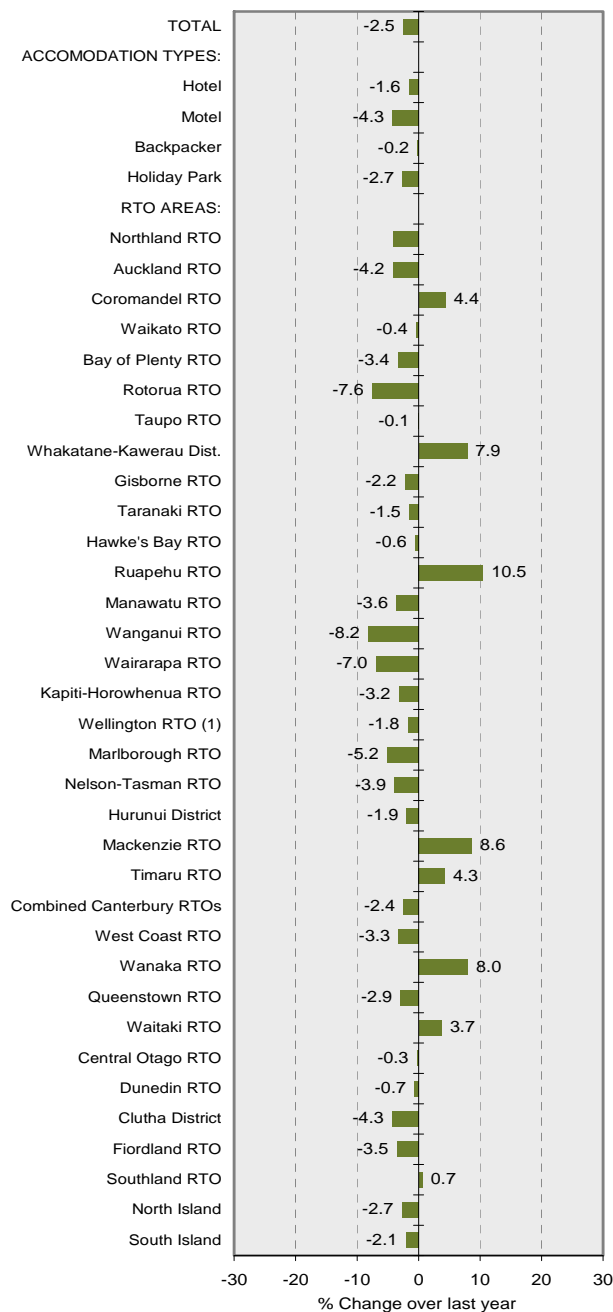
3. COMMERCIAL ACCOMMODATION

Figure 3a **Growth Rate of Guest Nights (Month of October 2009)**



(1) Includes Wellington, Porirua, L & U Hutt cities.

Figure 3b **Growth Rate of Guest Nights (Year Ended October 2009)**



(1) Includes Wellington, Porirua, L & U Hutt cities.

3. COMMERCIAL ACCOMMODATION

Table 3a **Guest Nights (Month)**

OCTOBER MONTH	Guest Nights			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL	2,410,869	2,513,443	2,524,809	4.3	0.5
ACCOMMODATION TYPES:					
Hotel	848,464	895,332	913,710	5.5	2.1
Motel	867,022	876,773	864,337	1.1	-1.4
Backpacker	316,483	322,258	338,213	1.8	5.0
Holiday Park	378,899	419,080	408,548	10.6	-2.5
RTO AREAS:					
Northland RTO	113,918	112,464	115,757	-1.3	2.9
Auckland RTO	452,701	477,737	482,036	5.5	0.9
Coromandel RTO	37,576	41,869	45,406	11.4	8.4
Waikato RTO	83,494	85,173	85,775	2.0	0.7
Bay of Plenty RTO	69,060	70,368	71,335	1.9	1.4
Rotorua RTO	149,811	148,783	144,217	-0.7	-3.1
Taupo RTO	74,556	86,410	79,773	15.9	-7.7
Whakatane-Kawerau Dist.	14,262	13,891	13,539	-2.6	-2.5
Gisborne RTO	25,258	26,387	23,538	4.5	-10.8
Taranaki RTO	44,754	42,370	45,521	-5.3	7.4
Hawke's Bay RTO	84,992	84,103	79,836	-1.0	-5.1
Ruapehu RTO	25,916	38,826	31,754	49.8	-18.2
Manawatu RTO	42,331	48,014	43,814	13.4	-8.7
Wanganui RTO	13,329	17,693	13,841	32.7	-21.8
Wairarapa RTO	15,306	15,557	14,522	1.6	-6.7
Kapiti-Horowhenua RTO	14,399	16,247	14,187	12.8	-12.7
Wellington RTO (1)	178,898	210,456	211,526	17.6	0.5
Marlborough RTO	47,630	47,545	48,209	-0.2	1.4
Nelson-Tasman RTO	69,233	69,464	72,346	0.3	4.1
Hurunui District	25,148	26,735	22,957	6.3	-14.1
Mackenzie RTO	23,529	25,142	30,155	6.9	19.9
Timaru RTO	21,465	23,636	22,166	10.4	-6.5
Combined Canterbury RTOs	396,715	407,262	415,444	2.7	2.0
West Coast RTO	91,296	96,987	97,186	6.2	0.2
Wanaka RTO	26,847	26,878	33,439	0.1	24.4
Queenstown RTO	165,367	153,922	161,204	-6.9	4.7
Waitaki RTO	21,461	19,514	23,008	-9.1	17.9
Central Otago RTO	17,093	18,059	18,631	5.7	3.2
Dunedin RTO	70,351	73,183	68,100	4.0	-6.9
Clutha District	5,033	5,374	5,924	6.8	10.2
Fiordland RTO	27,597	26,292	27,121	-4.7	3.2
Southland RTO	31,683	32,615	37,822	2.9	16.0
North Island	1,440,563	1,536,348	1,516,375	6.6	-1.3
South Island	970,306	977,095	1,008,434	0.7	3.2

(1) Wellington region includes - Wellington, Porirua, L & U Hutt.

Table 3b **Guest Nights (Year)**

YEAR ENDED OCTOBER	Guest Nights			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL	32,391,465	32,676,538	31,864,106	0.9	-2.5
ACCOMMODATION TYPES:					
Hotel	10,350,412	10,752,401	10,581,135	3.9	-1.6
Motel	11,067,544	10,775,811	10,316,022	-2.6	-4.3
Backpacker	4,551,521	4,594,575	4,587,569	0.9	-0.2
Holiday Park	6,421,988	6,553,751	6,379,380	2.1	-2.7
RTO AREAS:					
Northland RTO	1,739,656	1,682,549	1,613,783	-3.3	-4.1
Auckland RTO	5,527,796	5,701,471	5,462,771	3.1	-4.2
Coromandel RTO	677,519	645,901	674,203	-4.7	4.4
Waikato RTO	1,091,490	1,034,043	1,030,078	-5.3	-0.4
Bay of Plenty RTO	985,571	1,007,034	973,148	2.2	-3.4
Rotorua RTO	1,854,949	1,836,469	1,636,919	-1.0	-7.6
Taupo RTO	1,034,891	980,607	979,552	-5.2	-0.1
Whakatane-Kawerau Dist.	274,146	241,515	260,620	-11.9	7.9
Gisborne RTO	369,254	376,630	368,182	2.0	-2.2
Taranaki RTO	542,800	562,235	553,720	3.6	-1.5
Hawke's Bay RTO	1,086,598	1,057,472	1,051,114	-2.7	-0.6
Ruapehu RTO	378,491	375,375	414,689	-0.8	10.5
Manawatu RTO	537,857	531,670	512,507	-1.2	-3.6
Wanganui RTO	184,254	200,786	184,298	9.0	-8.2
Wairarapa RTO	214,644	204,022	189,828	-4.9	-7.0
Kapiti-Horowhenua RTO	205,885	210,095	203,372	2.0	-3.2
Wellington RTO (1)	2,181,852	2,351,610	2,309,763	7.8	-1.8
Marlborough RTO	703,084	722,158	684,947	2.7	-5.2
Nelson-Tasman RTO	1,237,193	1,264,899	1,215,653	2.2	-3.9
Hurunui District	299,037	309,594	303,609	3.5	-1.9
Mackenzie RTO	353,245	379,809	412,630	7.5	8.6
Timaru RTO	252,752	259,603	270,740	2.7	4.3
Combined Canterbury RTOs	4,908,170	5,101,622	4,976,753	3.9	-2.4
West Coast RTO	1,265,915	1,263,205	1,222,122	-0.2	-3.3
Wanaka RTO	553,996	529,261	571,712	-4.5	8.0
Queenstown RTO	2,372,740	2,371,948	2,302,377	0.0	-2.9
Waitaki RTO	299,729	272,882	283,021	-9.0	3.7
Central Otago RTO	323,888	332,795	331,824	2.8	-0.3
Dunedin RTO	888,507	873,843	867,866	-1.7	-0.7
Clutha District	86,416	81,922	78,371	-5.2	-4.3
Fiordland RTO	428,946	410,807	396,251	-4.2	-3.5
Southland RTO	435,239	451,717	454,671	3.8	0.7
North Island	18,887,645	18,999,480	18,478,538	0.6	-2.7
South Island	13,503,823	13,677,059	13,385,568	1.3	-2.1

(1) Wellington region includes - Wellington, Porirua, L & U Hutt.

4. INTERNATIONAL VISITOR EXPENDITURE

Expenditure, Year ended September 2009 - International visitors spent a total of \$6,102 million in New Zealand for the year ended September 2009 (excluding international airfares). This is an increase of 1.2% (\$74 million) on the previous year.

Markets – The Chinese market recorded the largest increase, up by \$78 million or 32.4%, followed by Australia (up \$61 million or 3.7%), Germany (up \$57 million or 23.5%) and the United States (up \$39 million or 6.6%).

In contrast, the expenditure by the United Kingdom (down \$153 million or 15.8%), South Korea (down \$46 million or 19.6%) and Japan (down \$14 million or 3.5%) markets were lower than the previous September year.

Average Spend - The average spend per visitor was \$2,771 up 2.9% on the previous year.

Figure 4 International Visitor Expenditure Growth Rate (Year Ended September 2009)

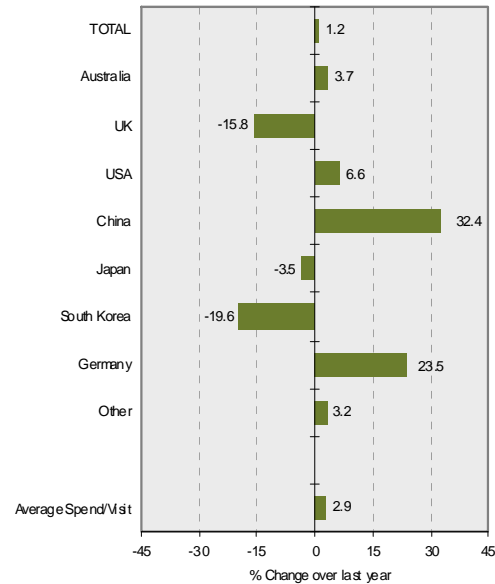


Table 4 International Visitor Expenditure (Year)

YEAR ENDED SEPTEMBER	NZ\$million ¹¹			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL	6,021	6,028	6,102	0.1	1.2
Australia	1,539	1,655	1,716	7.5	3.7
UK	333	371	318	4.1	-15.8
USA	701	590	629	-15.8	6.6
China	268	241	319	-10.4	32.4
Japan	403	407	392	0.8	-3.5
South Korea	239	235	189	-1.8	-19.6
Germany	250	242	299	-3.2	23.5
Other	1,687	1,688	1,741	0.02	3.2
Average Spend/Visit	2,670	2,692	2,771	0.8	2.9

¹¹ Expenditure refers to spend by travellers aged 15+, and excludes international airfares.

5. DOMESTIC TOURISM

Overnight Trips, Year ended December 2008 - For the year ended December 2008, the number of overnight trips increased by 1.1% (168,000) to 15.1 million trips, while the number of visitor nights increased by 0.4% (or 193,000) to 44.5 million. On average, overnight visitors stayed 3.0 nights away from home.

Day Trips - The number of day trips increased by 3.6% (or 990,000) to 28.3 million for the year ended December 2008.

Expenditure - Overall, domestic tourism expenditure increased by 6.2% (or \$471 million) to \$8.06 billion for the year ended December 2008. Overnight trip expenditure was up 2.0% (or \$100 million) to \$5.14 billion while day trip expenditure was up 14.5% (or \$371 million) to \$2.92 billion.

- Average spend per day trip \$103
- Average spend per overnight trip \$341
- Average spend per night \$116

Figure 5 Domestic Tourism Growth Rate (Year Ended December 2008)

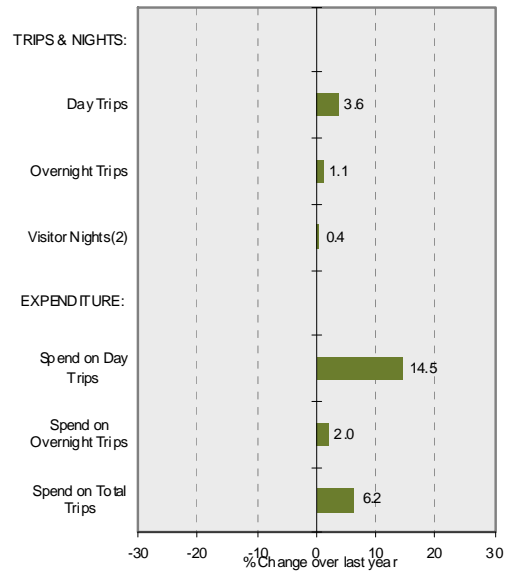


Table 5 Domestic Tourism (Year)

YEAR ENDED DECEMBER	Domestic Travel ⁽¹⁾			Growth Rate (%)	
	2006	2007	2008	06-07	07-08
TRIPS & NIGHTS:					
	(000)				
Day Trips	23,471	27,333	28,322	-7.3	3.6
Overnight Trips	14,739	14,896	15,064	1.1	1.1
Visitor Nights ⁽²⁾	43,371	44,352	44,545	0.3	0.4
EXPENDITURE:					
	(\$million)				
Spend on Day Trips	2,626	2,550	2,920	-2.9	14.5
Spend on Overnight Trips	4,843	5,038	5,138	4.0	2.0
Spend on Total Trips	7,468	7,587	8,058	1.6	6.2

(1) Refer to travellers aged 15+. (2) Include stays in commercial and private accommodation.

6. TOURISM SATELLITE ACCOUNT

The Tourism Satellite Account provides key measures of tourism's contribution to the New Zealand economy.

Tourism Expenditure, Year ended March 2009 - Total tourism expenditure for the 2009 March year was \$21.7 billion, up by 1.1% (or \$226 million) on the previous year. This was driven by a 2.6% (\$313m) increase in domestic visitor spend and by a 0.9% (-\$87m) decrease in international visitor spend.

Tourism Contribution to GDP - Tourism's direct and indirect value-added contribution to the economy was \$15.0 billion (excluding GST, import duties and other taxes on production), which represents 9.1 % of the total New Zealand GDP.

Domestic and International Segments - Domestic tourists spent \$12.4 billion and international tourists spent \$9.3 billion. This represents a 57% domestic and 43% international contribution to total expenditure. Domestic travel activity includes both household travel of \$9.7 billion, and business and government travel of \$2.7 billion.

Tourism Export Earnings - International tourist expenditure in 2009 (\$9.31 billion) represents 16.4% of the total export earnings (\$56.71 billion). Tourism is New Zealand's second largest export earner, surpassed by dairy (\$9.97 billion or 17.6% of exports) in 2009.

Tourism Employment - Tourism is estimated to support directly and indirectly 185,000 full-time equivalent jobs, or 9.6% (one in ten) of the total New Zealand workforce in 2009.

Tourism Contribution to GST - Tourists contributed \$1.59 billion in GST payments in 2009, or 11.1% of total GST on production received by Government.

Note: The latest TSA 2009 has adopted the United Nations World Tourism Organisation (UNWTO) new standard method for deriving tourism value added. This change is in line with the direct contact principle of having strong economic link between the tourist and the supplier of goods or services.

The effect of the change has resulted in a reallocation of some components of direct tourism value added to indirect tourism value added. The reallocation does not affect aggregated total tourism value added, which is unchanged. All earlier estimates have been revised based on the new standard.

More detailed TSA data and technical information is available in the report *Tourism Satellite Account 2009* at the Ministry of Tourism research website:

<http://www.tourismresearch.govt.nz/tsa> and Statistics NZ website: www.stats.govt.nz/tourism

Table 6 Tourism Satellite Account, 2007-2009

YEAR ENDED MARCH				Growth Rate (%)	
	2007	2008	2009	07-08	08-09
Tourism Expenditure (\$million)	20,397	21,511	21,737	5.5	1.1
Direct Tourism Value Added	6,388	6,660	6,364	4.3	-4.4
Indirect Tourism Value Added	7,877	8,371	8,665	6.3	3.5
Imports (sold/used in production sold to tourists)	4,630	4,905	5,115	5.9	4.3
GST Paid on Purchases by Tourists	1,502	1,574	1,594	4.8	1.3
International Tourism Expenditure(1)	8,982	9,400	9,313	4.6	-0.9
Domestic Tourism Expenditure	11,415	12,111	12,424	6.1	2.6
Persons Engaged in Tourism (full-time equivalent, 000)	181	184	185	1.5	0.5
Directly Engaged in Tourism	93	94	95	1.7	0.4
Indirectly Engaged in Tourism	89	90	90	1.2	0.7
Tourism Contributions to NZ Economy (Percent)					
Tourism Direct & Indirect Value Added Expenditure (% of GDP)	9.3	9.2	9.1
Tourism Direct & Indirect Employment (% of Total FTE Employment)	9.6	9.7	9.6
Tourism GST (% of Total GST on production)	11.4	11.2	11.1
Tourism Export Earning (% of Total Export)	18.6	18.3	16.4

(1) Includes international airfares.

7. TOURISM FORECASTS

Tourism forecasts, 2009-2015 - The latest Ministry of Tourism forecasts provide an outlook on tourism demand in New Zealand over the next seven years. The forecasts are intended to assist the tourism sector decision-making and planning.

International visitor arrivals - are forecast to increase from 2.45 million in 2008 to 2.90 million in 2015. This represents a growth of 18.6% (or 455,000 visitors). The average annual growth rate is 2.5%.

The performance will be weak in the short term, with international visitor arrivals are expected to decrease by 104,000 or 4.2% in 2009. This is the largest annual decrease in the last six decades, reflecting significant impact of the worst economic recession in this period and compounded by the influenza A (H1N1) pandemic.

Visitor arrivals to New Zealand are forecast to rebound by 2.5% in 2010 as global economy is expected to recover gradually. This will be followed by a strong 6.5% growth in 2011 boosted by New Zealand hosting the Rugby World Cup event. For the rest of forecast period a sound growth level of 3.4% per year is expected.

At the market level performance will vary considerably over the next seven years. The largest visitor growth is expected to come from Australia (up 230,000 or 24%) and China (up 70,000 or 63%). These two markets will contribute two-thirds of the expected total increase in visitors. Other mature key markets will contribute more modest growth including the USA (up 20,000 or 9%), Germany (up 9,000 or 15%), South Korea (up 8,000 or 9%), Canada (up 8,000 or 16%) and UK (up 7,000 or 2%). The Japan market is forecast to decrease slightly. The rest of the world markets are forecast to increase by 113,000 or 18%.

Visitor numbers from our largest market, Australia, are expected to reach 1.2 million in 2015, comprising 42% share of total international visitors, up from 40% in 2008.

Domestic trips - are forecast to increase from 51.1 million in 2008 to 53.7 million in 2015, up by 2.6 million or 5.1%, averaging 0.7% per annum. The growth will be driven by an additional 0.6 million overnight trips (up 3.6%) and 2.0 million day trips (up 5.9%).

Visitor nights - are forecast to increase from 102 million in 2008 to 111 million in 2015, up by 8.7 million or 8.5%, averaging 1.2% per annum. The growth will be driven by an additional 7.0 million international visitor nights (up 14.4% from 48.7 to 55.8 million) and 1.6 million domestic visitor nights (up 3.1% from 53.3 to 55.0 million).

Visitor spend - is forecast to increase from \$14.0 billion in 2008 to \$18.1 billion in 2015, up by \$4.1 billion or 29.6%, averaging 3.8% per annum. The growth will be driven by an additional \$2.3 billion international visitor spend (up 38.1% from \$5.9b to \$8.2b) and \$1.9 billion domestic visitor spend (up 23.3% from \$8.1b to \$9.9b).

Outbound travel by New Zealand residents - is forecast to increase from 1.97 million in 2008 to 2.23 million in 2015, an increase of 262,000 or 13.3%, averaging 1.8% per annum.

Further details of these forecasts are available in report as well as Excel *pivot tables* at: www.tourismresearch.govt.nz/forecasts

Table 7 Tourism Forecasts, 2009-2015

YEAR ENDED DECEMBER	Actual				Forecast				Growth 2008-2015		
	2008(1)	2009	2010	2011	2012	2013	2014	2015	Change	Total	Annual
International Visitors (000)	2,447	2,344	2,402	2,557	2,620	2,714	2,807	2,902	455	18.6%	2.5%
Domestic Trips (000) (2)	51,094	51,770	52,481	52,878	53,065	53,244	53,469	53,692	2,598	5.1%	0.7%
Overnight Trips (000)	17,998	18,381	18,799	18,903	18,821	18,732	18,688	18,642	644	3.6%	0.5%
Day Trips (000)	33,096	33,389	33,682	33,975	34,244	34,512	34,781	35,050	1,954	5.9%	0.8%
Visitor Nights (000)	102,069	99,793	101,944	105,208	106,018	107,471	109,073	110,748	8,679	8.5%	1.2%
International (000)	48,729	45,320	46,247	49,309	50,441	52,178	53,931	55,761	7,031	14.4%	1.9%
Domestic (000)	53,339	54,474	55,697	55,899	55,577	55,293	55,142	54,987	1,648	3.1%	0.4%
Visitor Expenditure (\$million)	14,005	14,027	14,710	15,539	16,084	16,748	17,438	18,150	4,145	29.6%	3.8%
International (000) (3)	5,947	5,833	6,098	6,650	6,964	7,365	7,778	8,215	2,268	38.1%	4.7%
Domestic (000) (4)	8,058	8,194	8,612	8,889	9,120	9,383	9,660	9,935	1,877	23.3%	3.0%
NZ Outbound Trips (000)	1,965	1,890	1,870	1,959	2,060	2,119	2,173	2,228	262	13.3%	1.8%

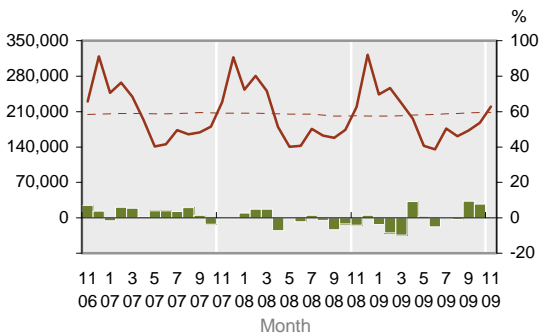
(1) Actual for base year. (2) Figures for domestic visitors in this table refer to all ages (differ to Table 5 which refers to aged 15+).

(3) Refers to spend in NZ, excluding international airfares. (4) Excludes some travel expenditure by government and business sectors.

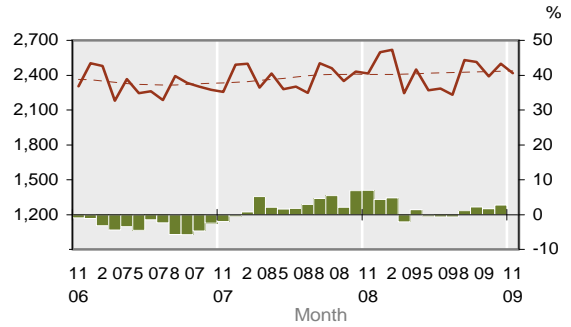
TRENDS AND PATTERNS

1. Inbound Tourism

1.1 International Visitor Arrivals

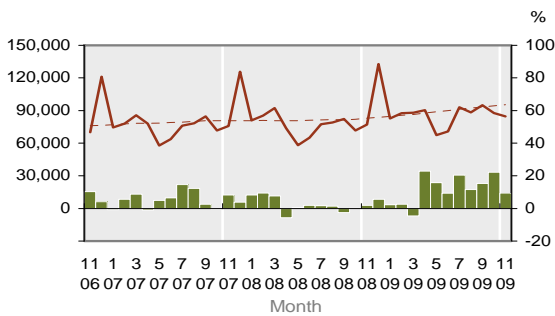


1.2 International Passenger Arrival Flights

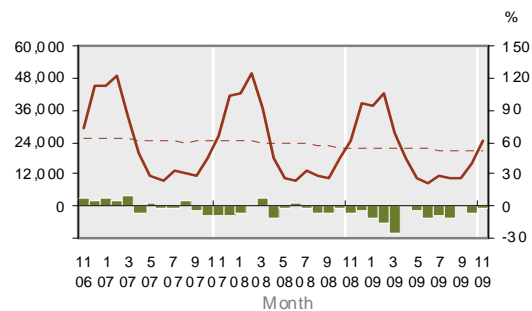


Major Sources

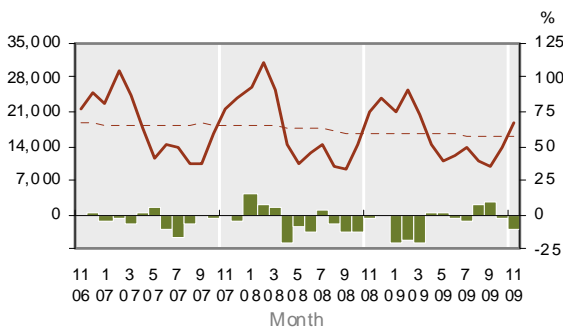
1.3 Visitors from - Australia



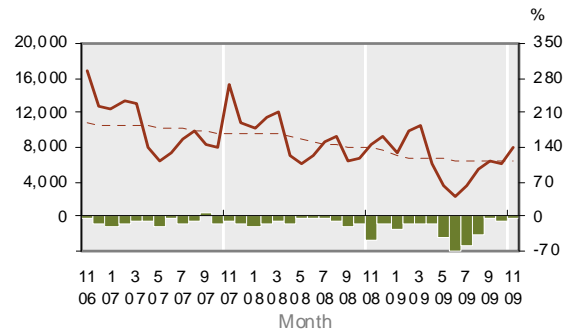
1.4 Visitors from - UK



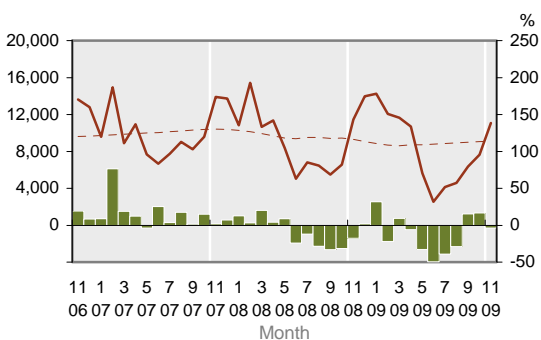
1.5 Visitors from - USA



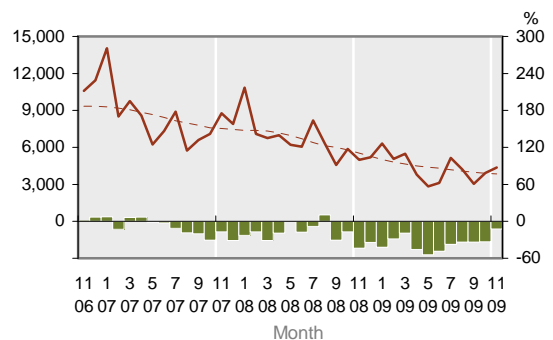
1.6 Visitors from - Japan



1.7 Visitors from - China



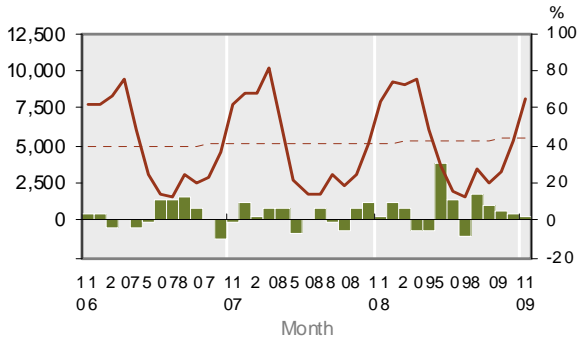
1.8 Visitors from - South Korea



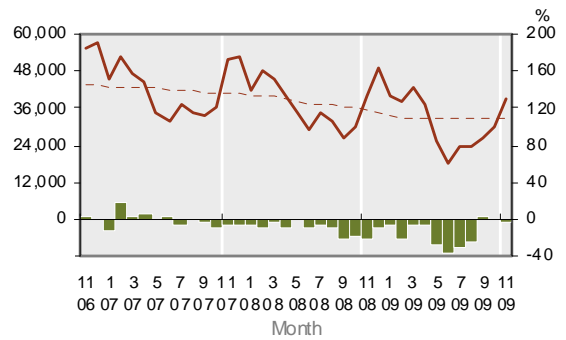
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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

TRENDS AND PATTERNS

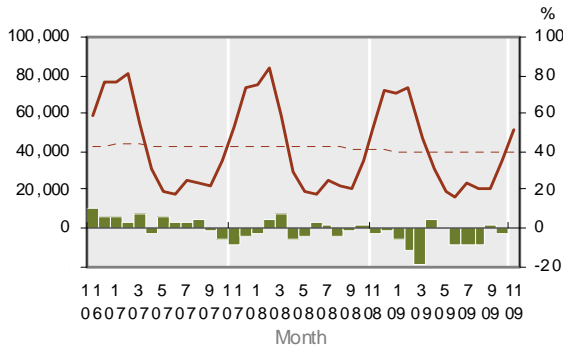
1.9 Visitors from - Germany



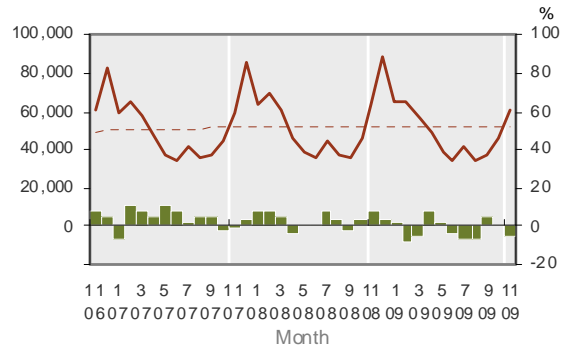
1.10 Visitors from - Asia



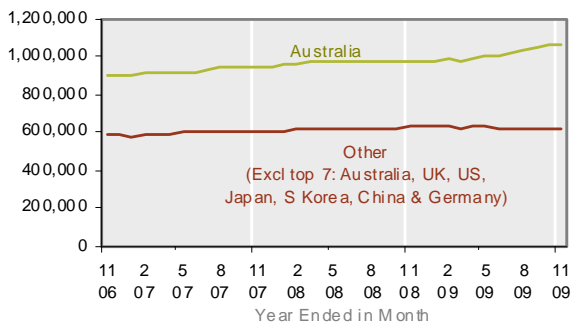
1.11 Visitors from - Europe



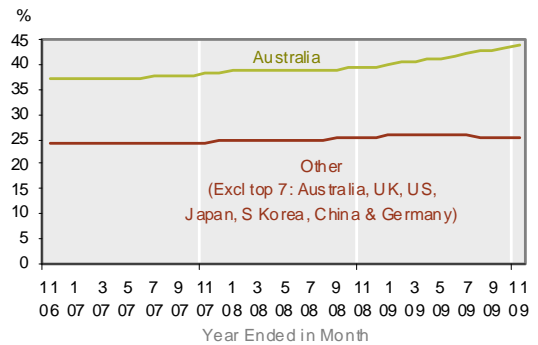
1.12 Visitors from - Other



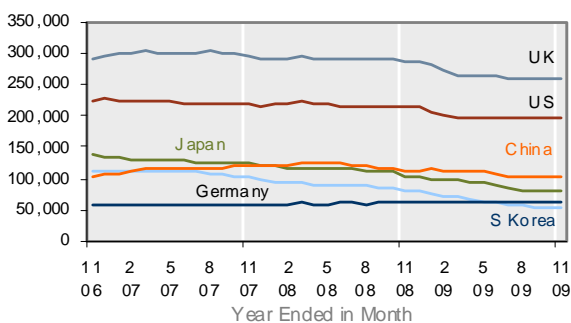
1.13 Visitors by Major Source



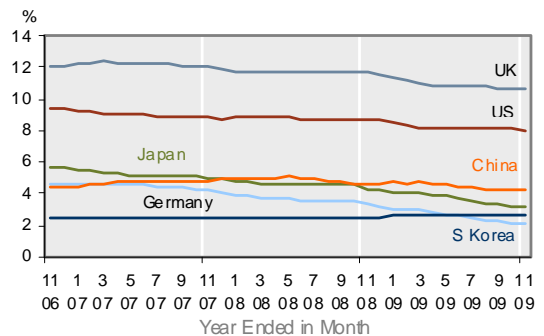
1.14 Share of Total International Visitors (%)



1.15 Visitors by Major Source



1.16 Share of Visitors by Major Source (%)

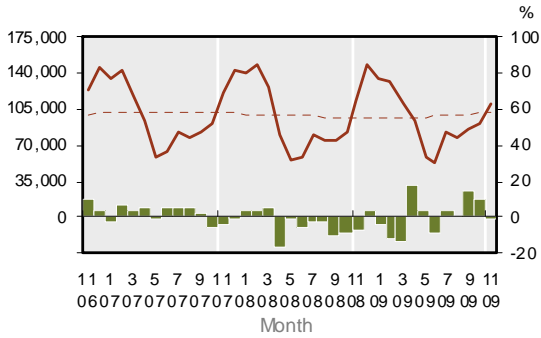


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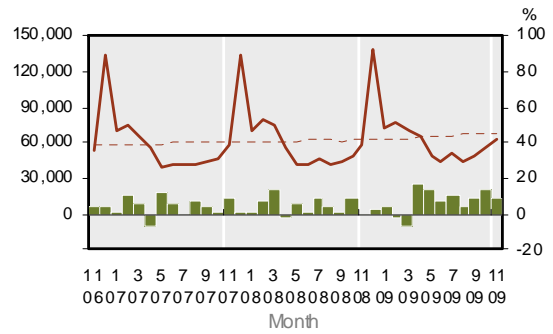
TRENDS AND PATTERNS

Purpose of Visits

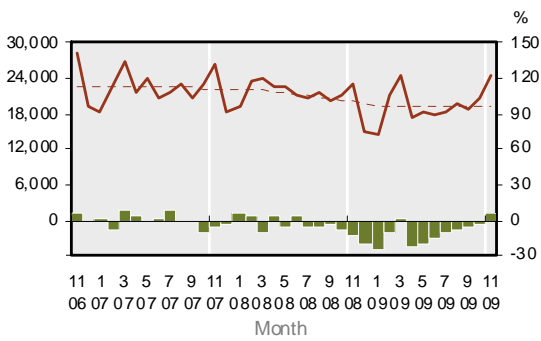
1.17 International Visitors - Holiday



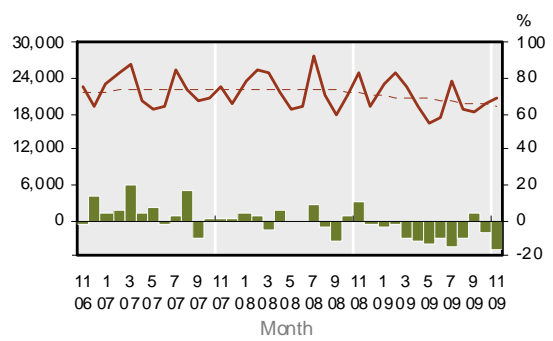
1.18 International Visitors - VFR



1.19 International Visitors - Business



1.20 International Visitors - Other

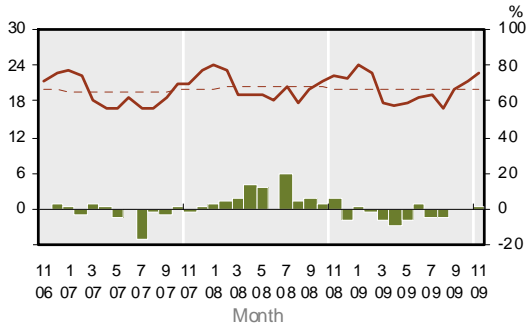


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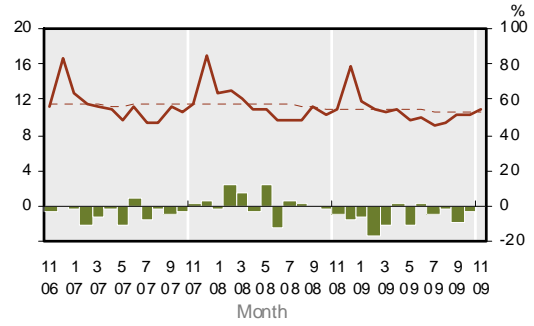
TRENDS AND PATTERNS

Length of Stay (Note: Figures based on intended length of stay in NZ)

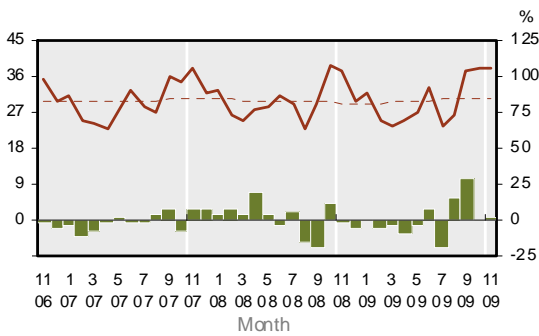
1.21 Average Days of Stay by Visitors



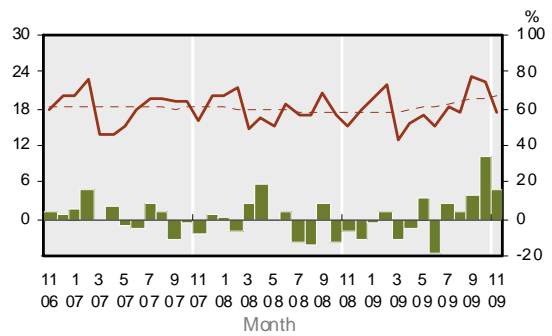
1.22 Average Days Stayed - Australian Visitors



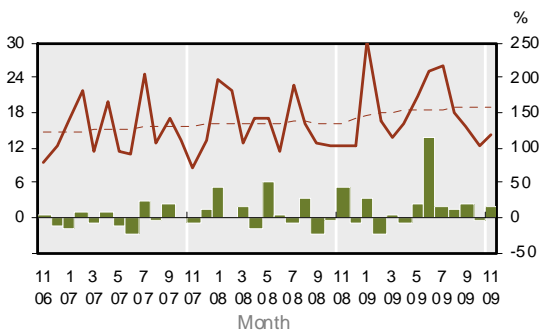
1.23 Average Days Stayed - UK Visitors



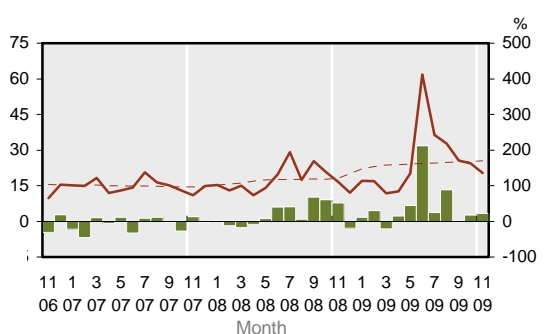
1.24 Average Days Stayed - US Visitors



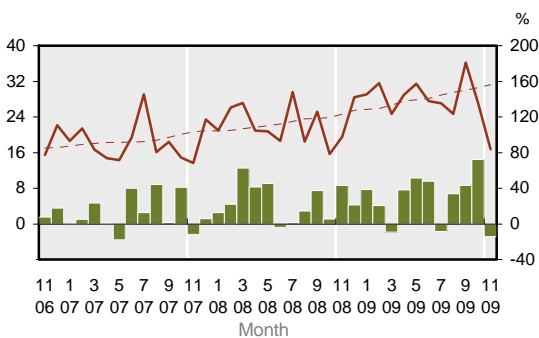
1.25 Average Days Stayed - Japanese Visitors



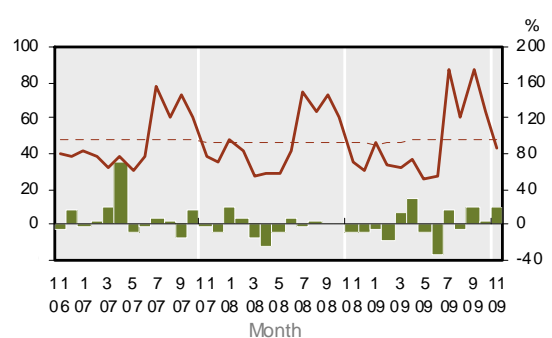
1.26 Average Days Stayed - Chinese Visitors



1.27 Average Days Stayed - S Korea Visitors



1.28 Average Days Stayed - German Visitors



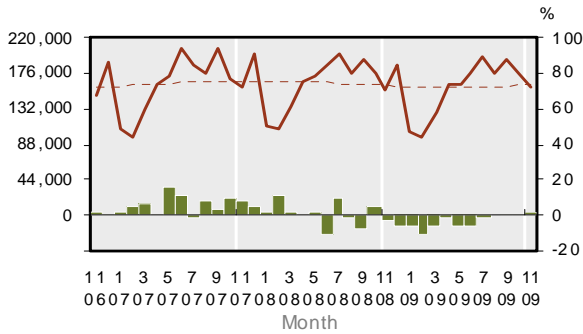
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TRENDS AND PATTERNS

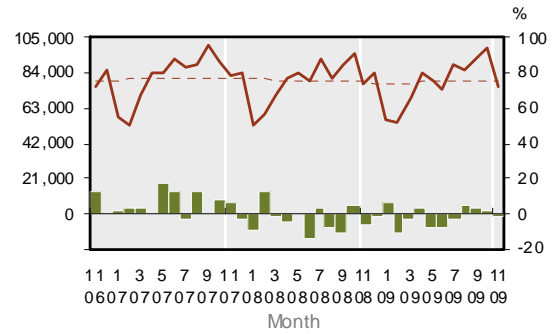
2. Outbound Tourism

Major Destinations

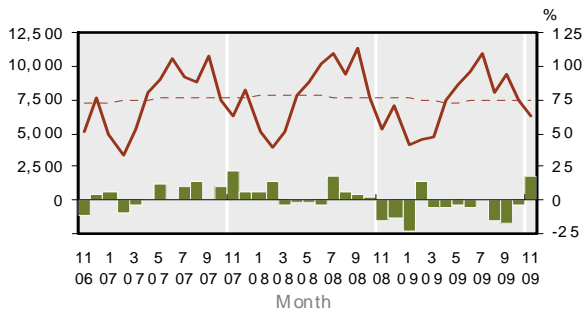
2.1 NZer Trips Abroad



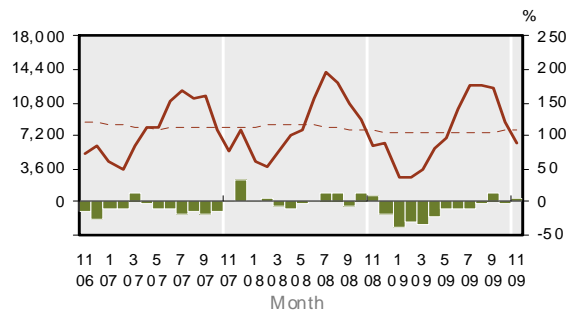
2.2 NZer Trips to - Australia



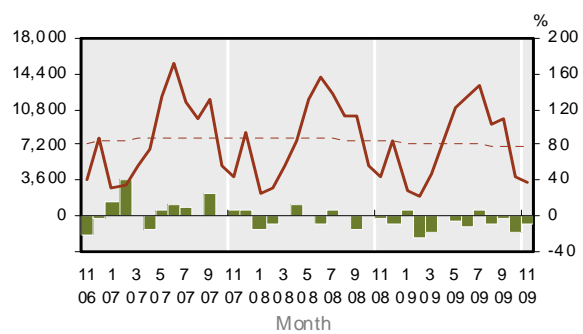
2.3 NZer Trips to - USA



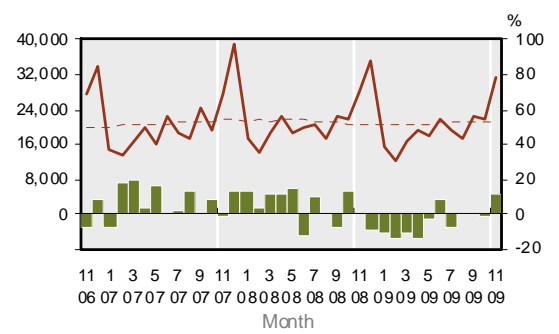
2.4 NZer Trips to - Fiji



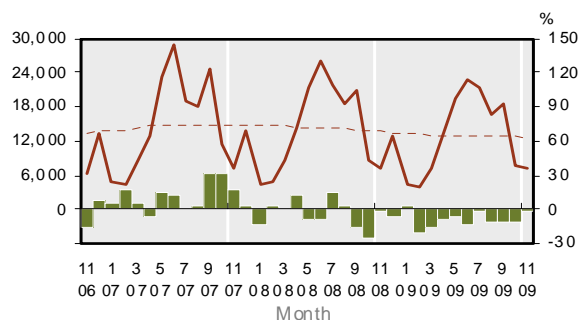
2.5 NZer Trips to - UK



2.6 NZer Trips to - Asia



2.7 NZer Trips to - Europe

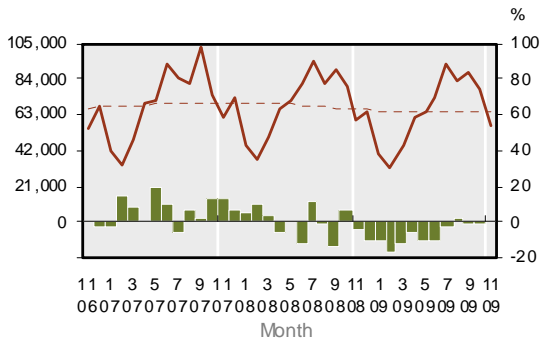


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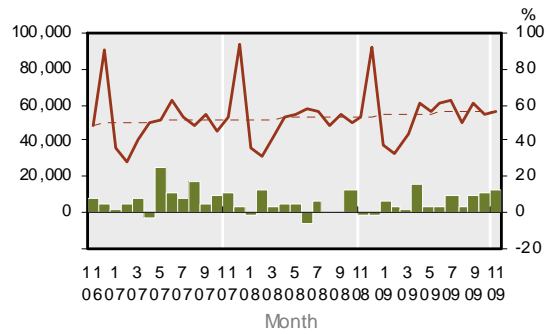
TRENDS AND PATTERNS

Purpose of Trips Abroad

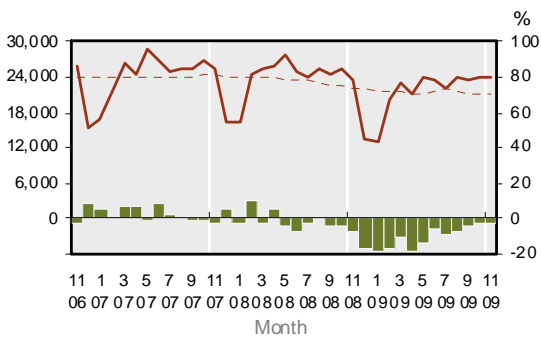
2.8 NZer Trips Abroad - Holiday



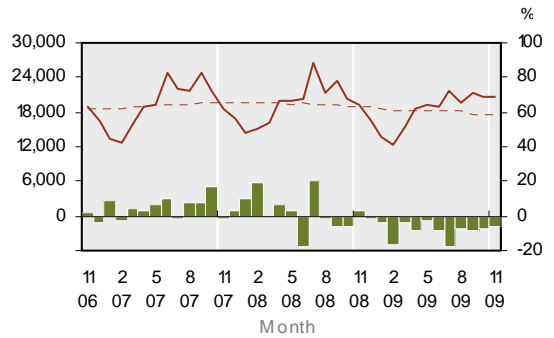
2.9 NZer Trips Abroad - VFR



2.10 NZer Trips Abroad - Business



2.11 NZer Trips Abroad - Other



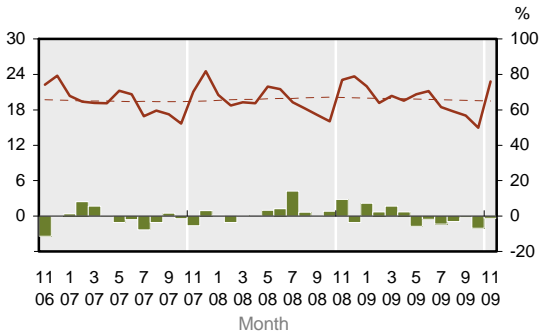
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TRENDS AND PATTERNS

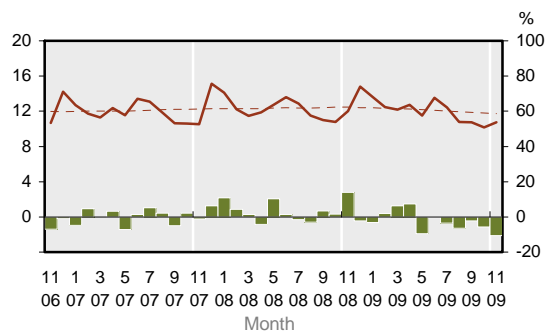
Length of Trips Abroad

Note: Figures are based on intended length of short-term departure trips by New Zealand residents. The average days abroad refer to period of absence from New Zealand but not necessarily all spent in one country. The country referred is the main destination where they spent most time in.

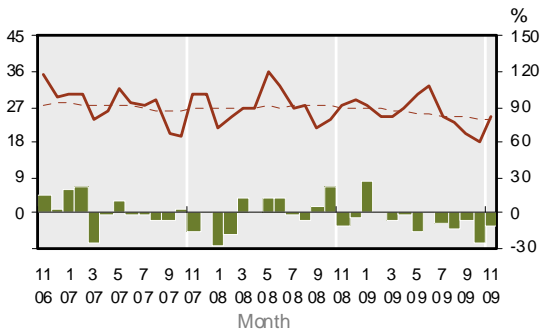
2.12 Average Days Abroad



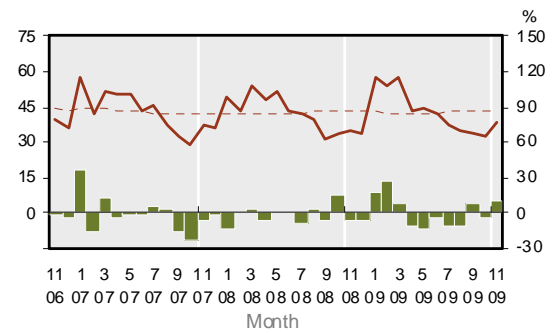
2.13 NZers Average Days Abroad - Australia



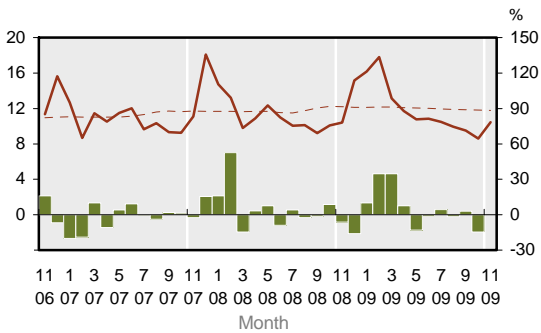
2.14 NZers Average Days Abroad - US



2.15 NZers Average Days Abroad - UK



2.16 NZers Average Days Abroad - Fiji

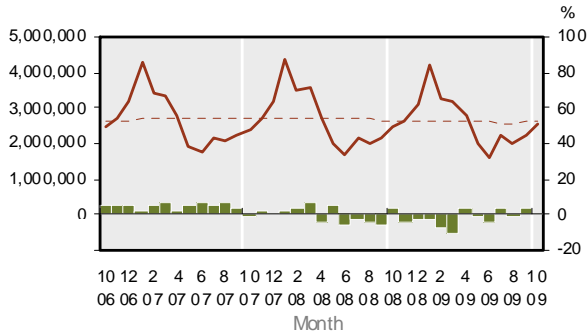


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 Dotted line (brown) – trend line.
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

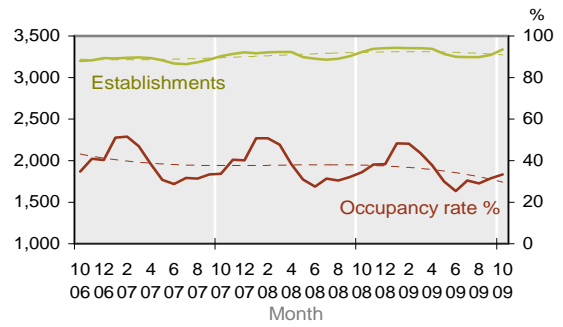
TRENDS AND PATTERNS

3. Commercial Accommodation

3.1 Total Guest Nights

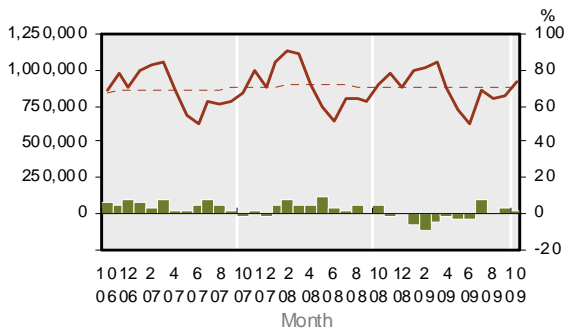


3.2 Total Establishments and Occupancy Rates

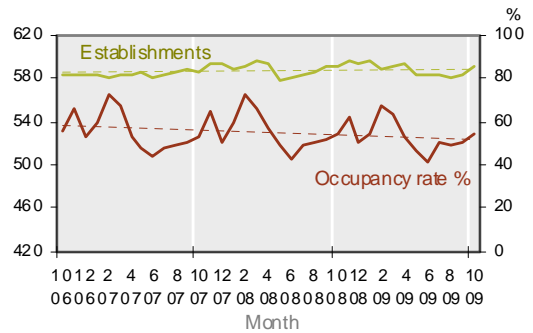


Guest Nights by Accommodation Type

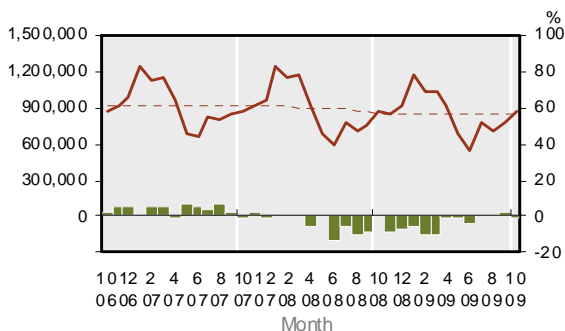
3.3 Hotel Guest Nights



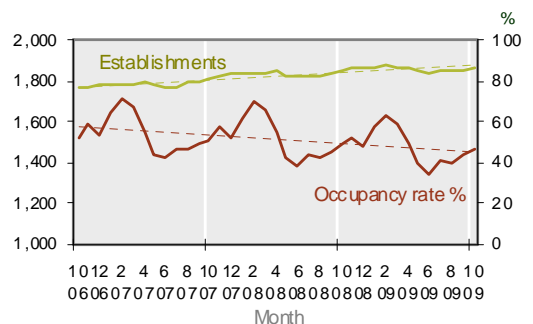
3.4 Hotel Establishments and Occupancy Rates



3.5 Motel Guest Nights



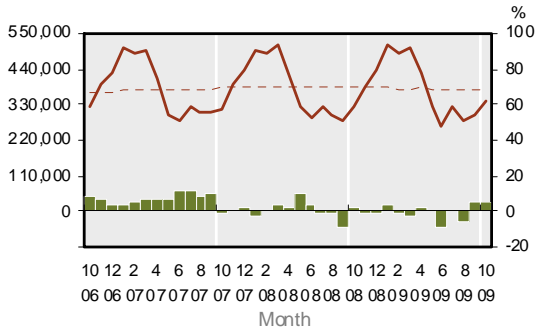
3.6 Motel Establishments and Occupancy Rates



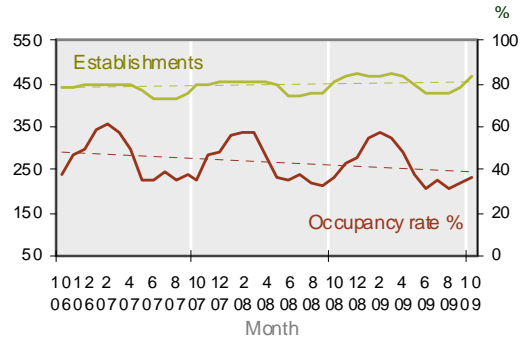
KEY:
 Solid line (brown) – show statistics described by the graph title (left scale).
 Dotted line (brown) – trend line.
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

TRENDS AND PATTERNS

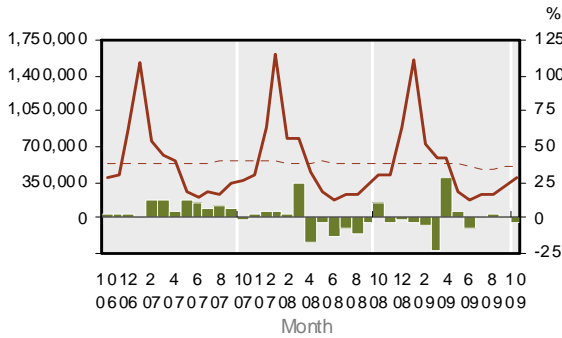
3.7 Backpacker Guest Nights



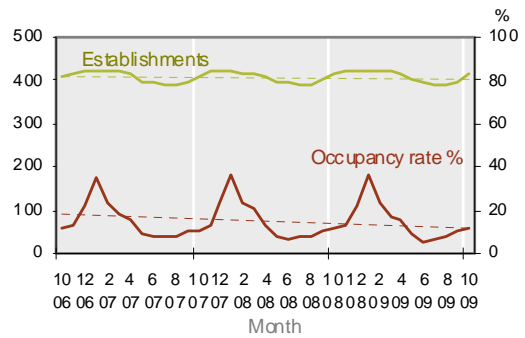
3.8 Backpacker Establishments and Occupancy Rates



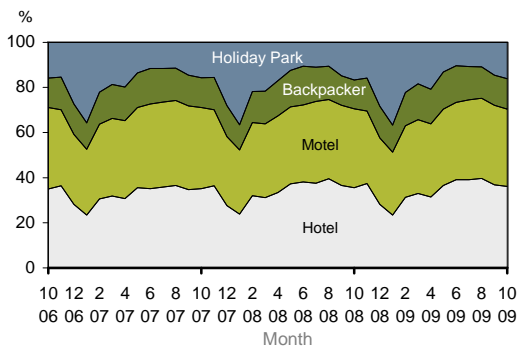
3.9 Holiday Park Guest Nights



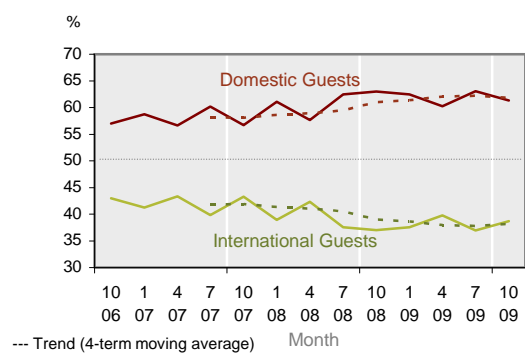
3.10 Holiday Park Establishments and Occupancy Rates



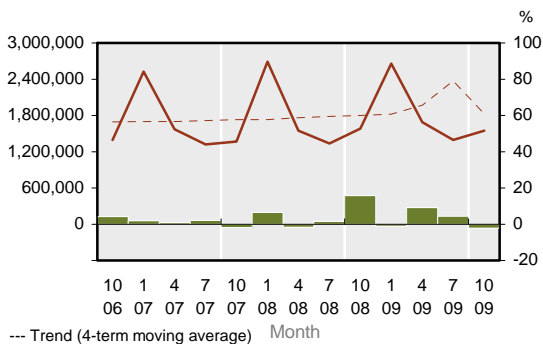
3.11 Share of Guest Nights by Accommodation Type



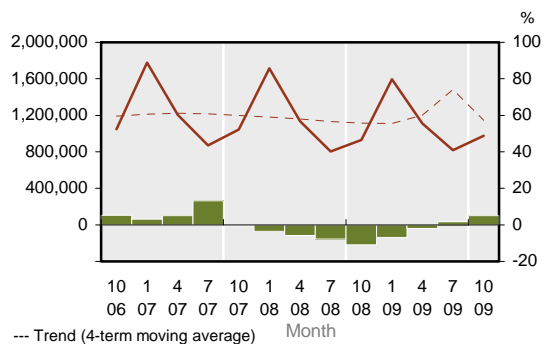
3.12 International and Domestic Share of Guest Nights



3.13 Domestic Guest Nights



3.14 International Guest Nights

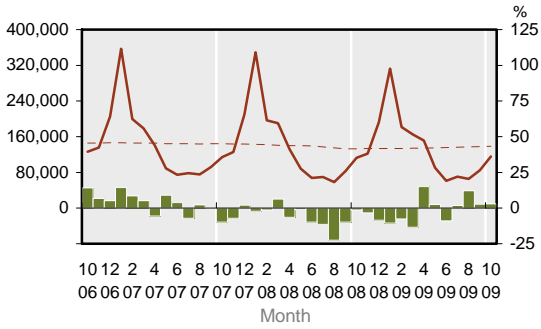


KEY:
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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

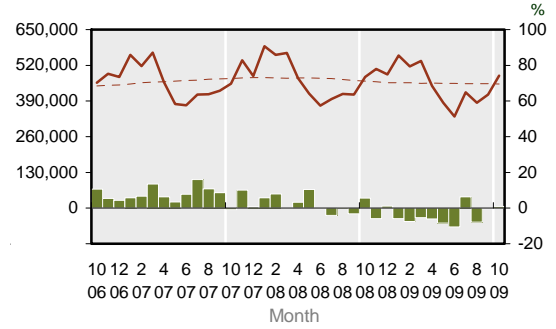
TRENDS AND PATTERNS

Guest Nights by Regional Tourism Organisation and District

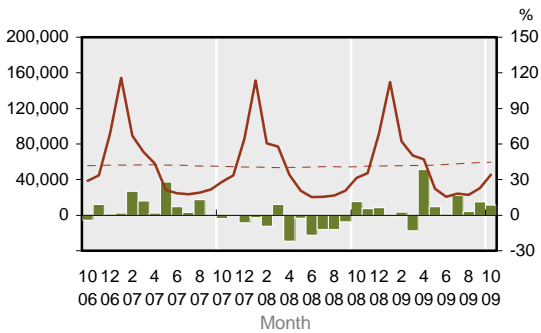
3.15 Northland RTO Guest Nights



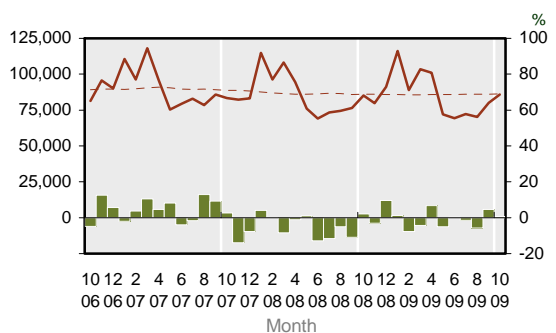
3.16 Auckland RTO Guest Nights



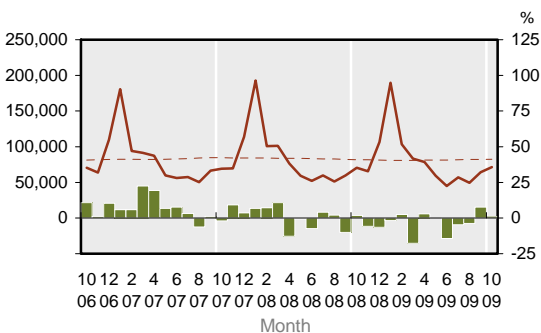
3.17 Coromandel RTO Guest Nights



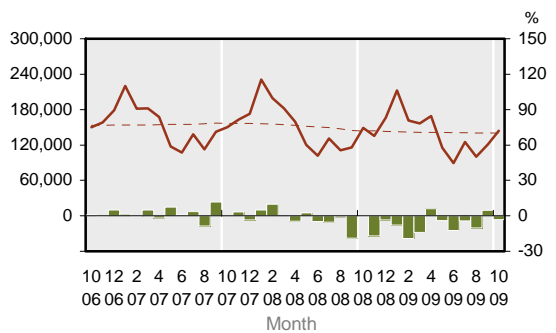
3.18 Waikato RTO Guest Nights



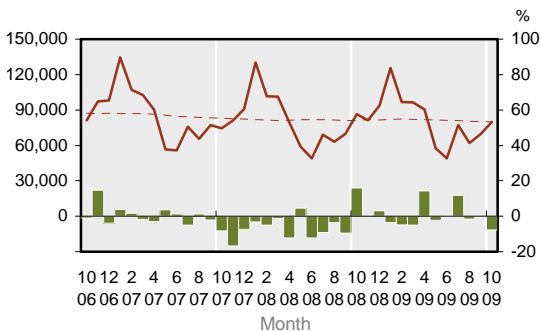
3.19 Bay of Plenty RTO Guest Nights



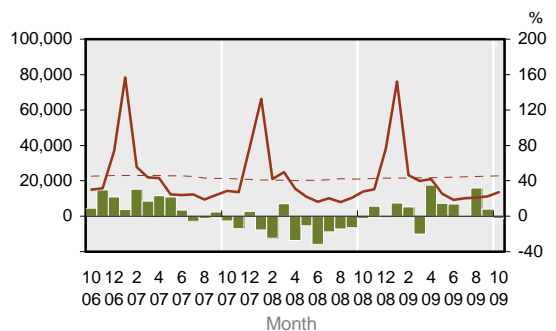
3.20 Rotorua RTO Guest Nights



3.21 Taupo RTO Guest Nights



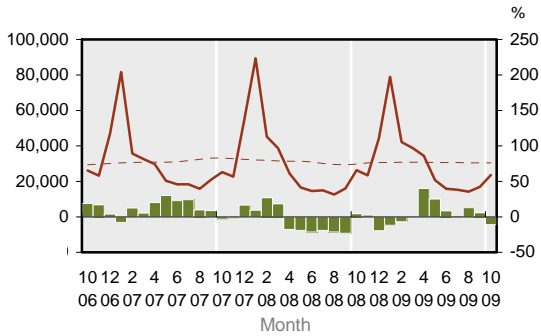
3.22 Whakatane-Kawerau District Guest Nights



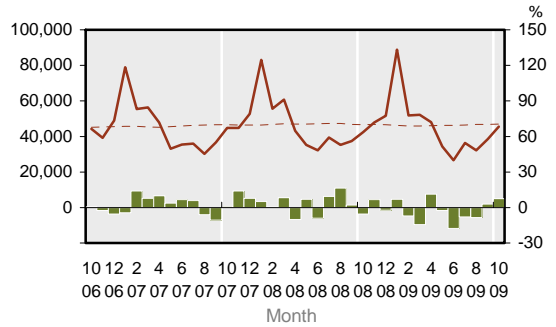
KEY:
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 Dotted line (brown) – trend line.
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

TRENDS AND PATTERNS

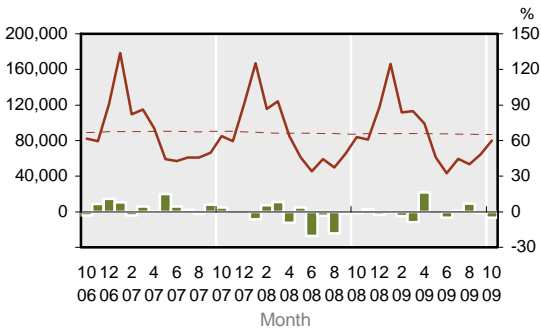
3.23 Gisborne RTO Guest Nights



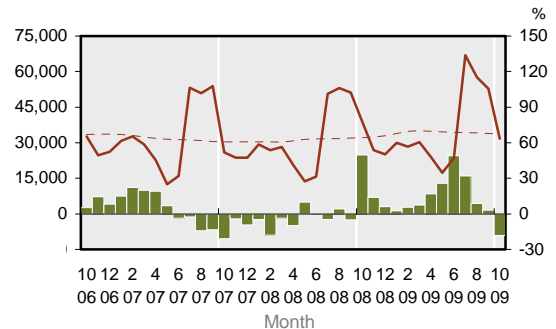
3.24 Taranaki RTO Guest Nights



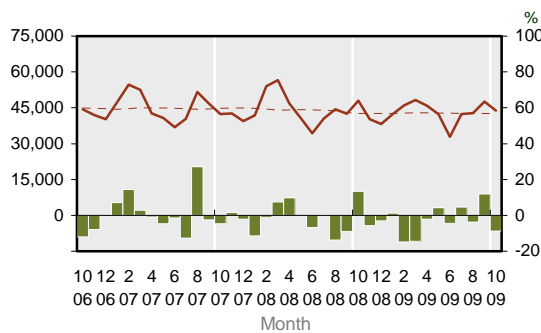
3.25 Hawke's Bay RTO Guest Nights



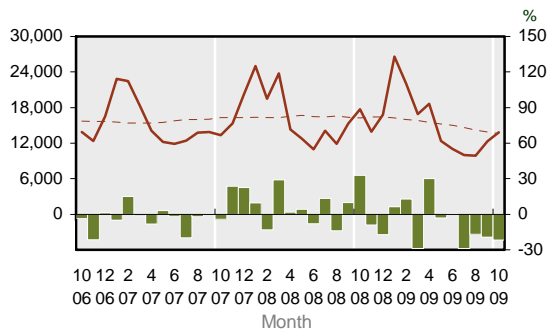
3.26 Ruapehu RTO Guest Nights



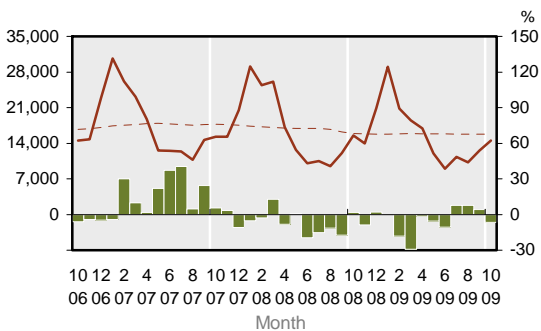
3.27 Manawatu RTO Guest Nights



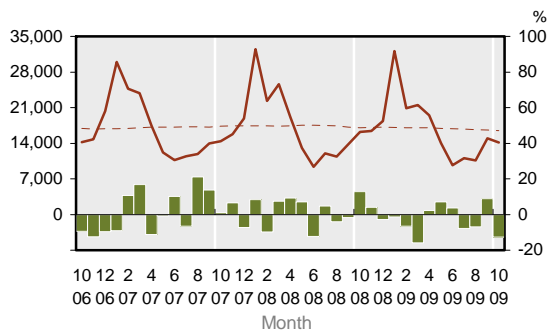
3.28 Wanganui RTO Guest Nights



3.29 Wairarapa RTO Guest Nights



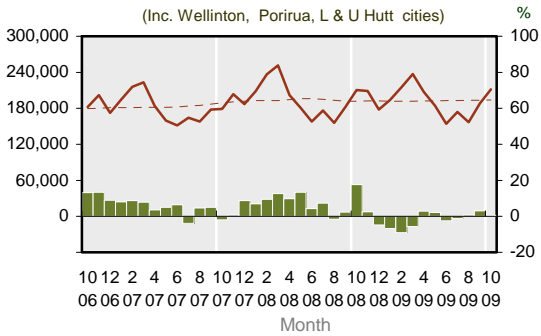
3.30 Kapiti-Horowhenua RTO Guest Nights



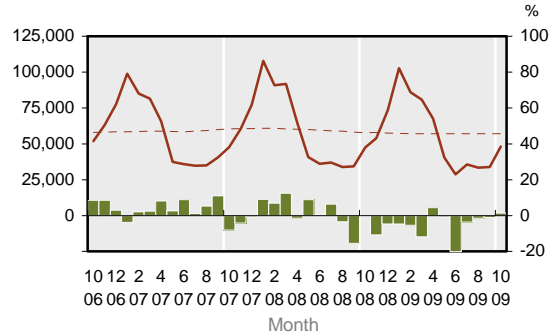
KEY:
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 Dotted line (brown) – trend line.
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

TRENDS AND PATTERNS

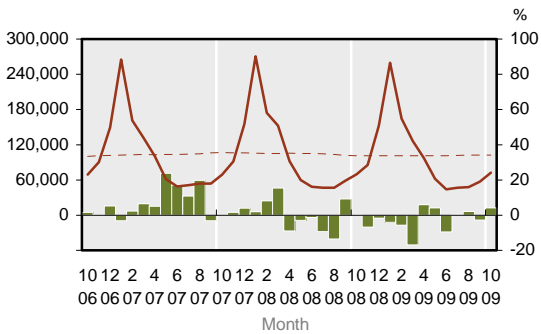
3.31 Wellington RTO Guest Nights



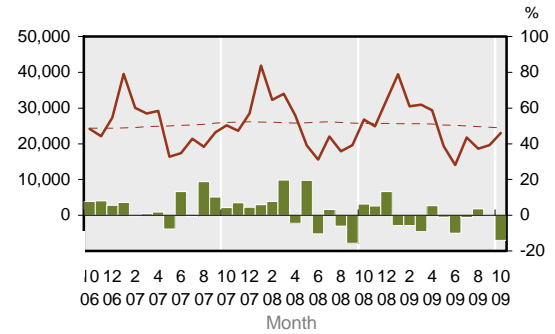
3.32 Marlborough RTO Guest Nights



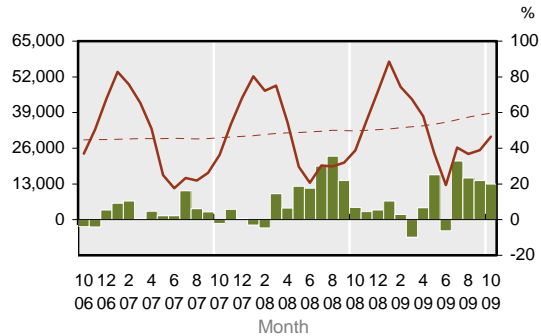
3.33 Nelson-Tasman RTO Guest Nights



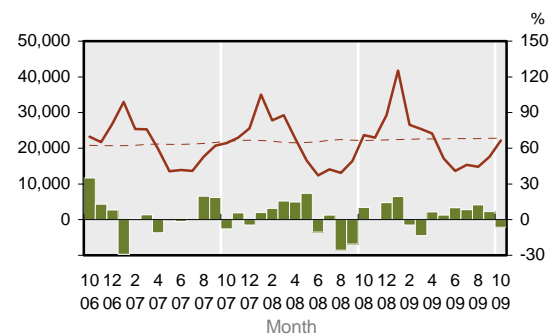
3.34 Hurunui District Guest Nights



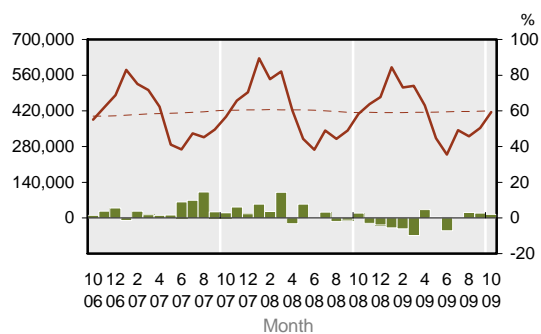
3.35 Mackenzie RTO Guest Nights



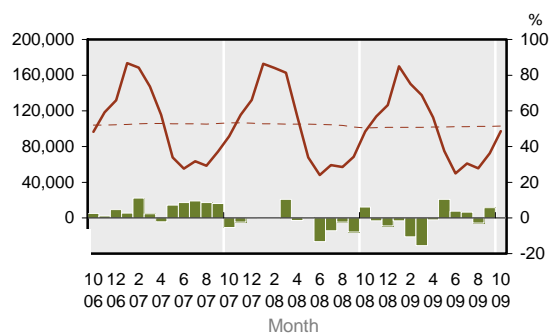
3.36 Timaru RTO Guest Nights



3.37 Combined Canterbury RTOs Guest Nights



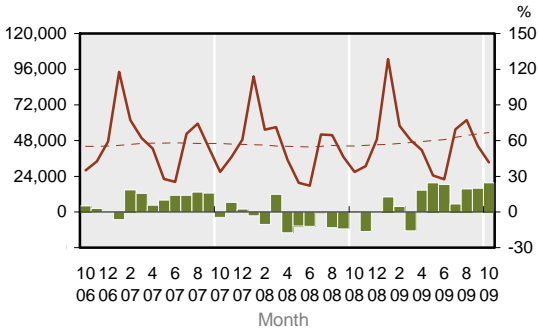
3.38 West Coast RTO Guest Nights



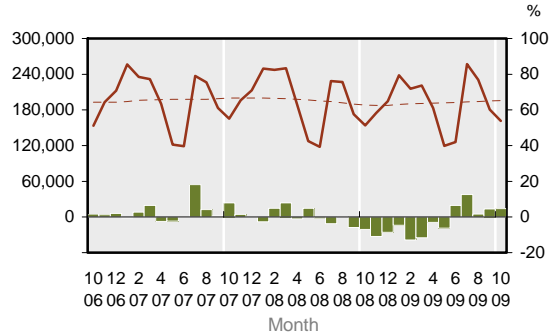
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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

TRENDS AND PATTERNS

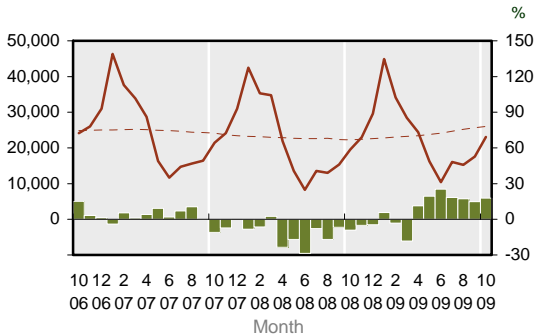
3.39 Wanaka RTO Guest Nights



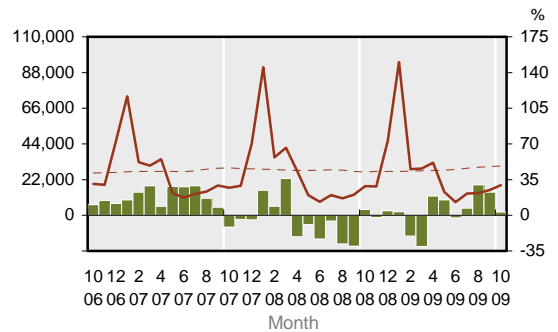
3.40 Queenstown RTO Guest Nights



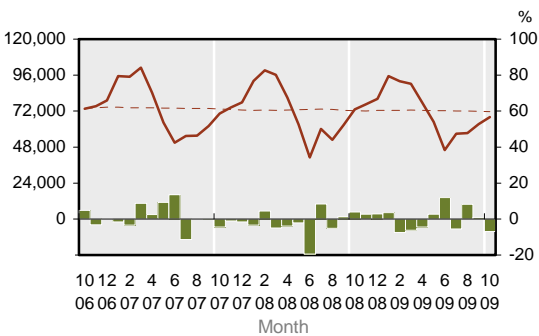
3.41 Waitaki RTO Guest Nights



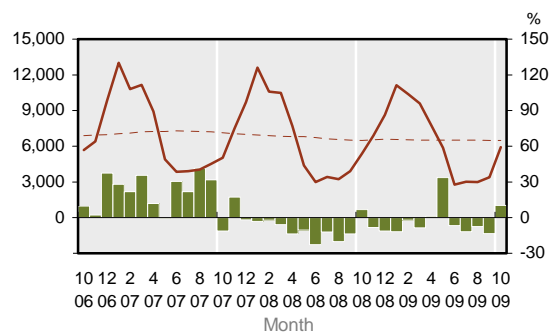
3.42 Central Otago RTO Guest Nights



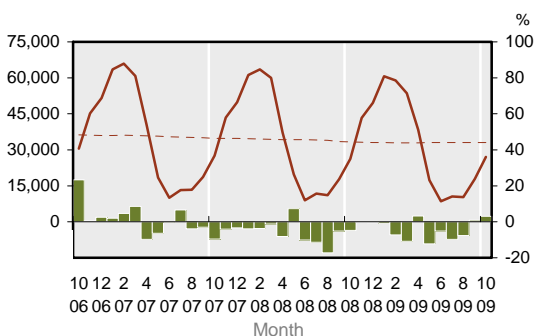
3.43 Dunedin RTO Guest Nights



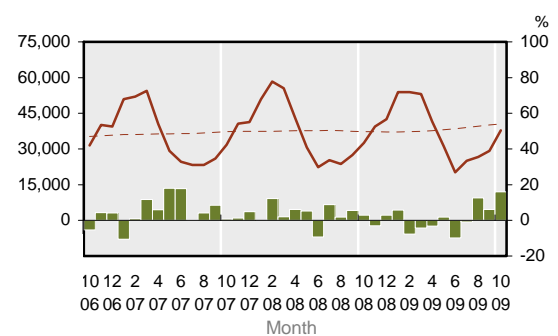
3.44 Clutha District Guest Nights



3.45 Fiordland RTO Guest Nights



3.46 Southland RTO Guest Nights



Note: Total guest night data by international and domestic guests are available only for the months of Jan, Apr, Jul and Oct.

KEY: Solid line (brown) – show statistics described by the graph title (left scale).
 Dotted line (brown) – trend line.
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

EXPLANATORY NOTES

Inbound Tourism

This information refers to international visitors who arrive in New Zealand intending to stay for a short-term period of less than 12 months. Statistics are from passenger arrival cards collected at various NZ international airports and seaports. Data is processed by Statistics New Zealand and is partly sponsored by the Ministry of Tourism. Statistics are available monthly.

Outbound Tourism

This information refers to NZ residents who went on overseas trips for a short-term period of less than 12 months. Statistics are from passenger departure cards collected at various NZ international airports and seaports. Data is processed by Statistics New Zealand and is partly sponsored by the Ministry of Tourism. Statistics are available monthly.

Commercial Accommodation

Statistics are obtained from the Accommodation Survey (commonly referred to as CAM – Commercial Accommodation Monitor) conducted by Statistics New Zealand and sponsored by the Ministry of Tourism. The survey covers those commercial accommodation providers that are GST-registered and have a turnover of at least \$30,000 a year. Those smaller providers that do not meet these criteria or provide accommodation as a secondary business activity (e.g. farm-stay) are excluded from the survey. Data collected include - number of establishments, guests, nights stayed, and international and domestic guests.

International Visitor Expenditure

This information is obtained from the International Visitor Survey (IVS, conducted by The Nielsen Company for the Ministry of Tourism). The survey covers an annual sample of 5,000 departing overseas visitors aged 15 years or over who are interviewed at the Auckland, Wellington and Christchurch international airports. Data collected include - visitor demographics, places visited, tourism activities undertaken and expenditure in New Zealand. IVS statistics are released quarterly.

Domestic Tourism

This information is obtained from the Domestic Travel Survey (DTS, conducted by The Nielsen Company for the Ministry of Tourism). The survey covers an annual sample of 15,000 NZ residents aged 15 years or over who are interviewed via telephone about their travel experience within New Zealand. Data collected include - traveller demographics, day and overnight trips, places visited, tourism activities undertaken and expenditure. DTS statistics are released quarterly.

Tourism Satellite Account

The TSA provides a range of measures on tourism's contribution to the NZ economy. Key measures include tourism expenditure as a proportion of GDP, export earnings, GST and employment. More detailed expenditure measures include breakdown by direct and indirect tourism value added, international and domestic, tourism related product groups. The TSA is produced annually by Statistics New Zealand and sponsored by Ministry of Tourism. The New Zealand TSA has adopted the UNWTO methodology.

Differences between TSA and IVS & DTS

TSA gives a most definitive account of tourism value and is most complete (compared to IVS and DTS). TSA uses IVS and DTS among other data sources for its calculations, but there are some conceptual and coverage differences as outlined below. The values of international and domestic tourism given in TSA are normally greater than those measured in IVS and DTS, as illustrated below, comparing tourism expenditure for year ended March 2008:

TSA (International) = \$9,400m vs IVS = \$6,128m;

TSA (Domestic) = \$12,111m vs DTS = \$7,413m

The key difference in IVS vs TSA is that IVS includes only international visitor expenditure incurred within NZ. This means IVS does not include international airfares paid to NZ carriers (such as Air NZ) before arrival as the travel was undertaken outside NZ. However, prepaid expenditure for items to be used while in NZ is included in IVS, eg tour packages, accommodation, food, etc. In contrast, TSA does include international airfares paid to NZ carriers. Also, in TSA the expenditure of education visitors is calculated separately using more robust data from Statistics NZ and Ministry of Education instead of sample estimate from IVS.

In DTS, it measures domestic travel of households. Therefore, travel expenditure incurred by many business and government organisations are not fully captured in DTS. However, in TSA, Statistics NZ used more robust data to calculate business and government travel expenditure more fully.

TSA measures are calculated for year ended March only, while IVS and DTS data are available quarterly.

Users should exercise caution when using TSA and IVS & DTS expenditure data. They are not directly comparable because of the differences outlined above.

EXPLANATORY NOTES

Growth rate

All growth rates in this monitor refer to the percentage change in a particular variable over the same period (month or quarter) in the previous year. Because tourism variables typically have large seasonal variation it is more meaningful to compare the change in a variable of a reference month/quarter on a year-on-year basis. Caution should be exercised when interpreting growth rates. A large change in growth rate could be due to irregularity or different timing of major annual events which can distort growth patterns significantly (e.g. Easter holidays, major sporting and local events). A negative/low growth rate in one year may be due to exceptional growth rate in the previous year, and vice versa.

Trend line

Trend lines have been provided for variables in graphs under the Trends and Patterns section. A trend line helps identify more clearly the general direction and pace of change that may not be apparent in seasonal time series as in tourism variables.

The trend lines have been calculated using a 'moving average' method. Each trend value is calculated centred on 13 data points for monthly series and 5 data points for quarterly series. Equal weight (1/12 for monthly and 1/4 for quarterly series) is applied to all data points except at both ends of the period that are given half the normal weight. Furthermore, for monthly series, in order to calculate the trend values for the last 6 months of a time series it requires forward estimates of the variable for next six months. These estimates are derived by assuming that their growth rates are generally the average for the preceding 3 months. Similarly, for quarterly series, forward estimates are required for two quarters which are assumed to have an average growth rate for the previous two quarters. Because of the assumptions used the trend values for the latest 6 months in a monthly series and latest 2 quarters in a quarterly series are provisional and are subject to revision as later data become available.

Sources of Statistics

All statistics in this publication are drawn from the following sources:

1. Inbound Tourism : "*International Travel and Migration*", Statistics New Zealand
2. Outbound Tourism : "*International Travel and Migration*", Statistics New Zealand
3. Accommodation : "*Accommodation Survey*", Statistics New Zealand
4. International Visitor Expenditure : "*International Visitor Survey*", Ministry of Tourism
5. Domestic Tourism : "*Domestic Travel Survey*", Ministry of Tourism
6. Tourism Satellite Account : "*Tourism Satellite Account, 2009*", Statistics New Zealand
7. Forecasts : Ministry of Tourism
 - *New Zealand Tourism Forecasts, 2009-2015 (Summary Document)*
 - *New Zealand Regional Tourism Forecasts, 2009-2015*

For further information contact:

- a. Ministry of Tourism, t: (04) 498 7440, <http://www.tourismresearch.govt.nz>
- b. Statistics New Zealand, t: (04) 9314600, <http://www.stats.govt.nz/tourism>
- c. Tourism New Zealand, t: (04) 917 5400, <http://www.tourismnewzealand.com>

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Fern – Rebecca Davis, www.moxie.co.nz