

Media Statement

Confidence holds for tourism industry

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Data just released from the tourism sector's Tourism Industry Monitor shows that industry confidence levels are holding across the industry.

Ray Salter, Ministry of Tourism General Manager, said that it was encouraging to see confidence levels were steady and not trending downwards.

“Now that the monitor is in its third month we can begin tracking the mood of the industry over time - and that mood is looking quite stable. From the 100 point base on the confidence index for the March data, the index is now measuring 98 in May.”

“The main factor limiting the performance of businesses was the lower levels of demand across the sector, with 80% of respondents citing this as a limiting factor.”

The survey was conducted in the week commencing 4 May with close to 900 industry responses received. Confidence does not appear to have been affected despite businesses being surveyed in a week that saw Influenza A (H1N1) making headlines.

Tourism New Zealand chief executive George Hickton said businesses had been differently affected by the downturn in international arrivals but the extent of the impact depended on "market mix", as some long-haul markets had performed better than others.

“We know that businesses are adapting to the change in circumstances a downturn brings. Tourism New Zealand is turning its attention to the upcoming high season booking period to try and drive interest for the critical summer months,” Mr Hickton added.

Tourism Industry Association Chief Executive Tim Cossar said it is pleasing to see that the majority of tourism operators are performing in line with or above expectations which indicates that they are adjusting to the new trading conditions.

“We're also pleased that this month's survey now includes regional data as this will help operators get a much better idea of how demand is tracking at a regional level. Having this information at a broad industry level is a major advantage for a dynamic industry that is likely to be at the leading edge of economic growth in New Zealand.”

The Tourism Industry Monitor is an industry wide initiative. It is designed to provide the industry with monthly information on the performance of the tourism sector,

including the short-term outlook. It is led by the Ministry of Tourism, the Tourism Industry Association, Tourism New Zealand and the New Zealand Hotel Council.

For a copy of the Tourism Industry Monitor visit www.tourismresearch.govt.nz/tim.

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