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Holidays Act hinders industry - TIANZ

SINCE the introduction of the Holidays Act 2003 some tourism businesses have introduced surcharges to compensate for the increased costs of higher wage bills. So the Act hinders rather than supports the industry, says TIANZ in its submission on the Holidays Amendment Bill.

The association says the surcharges are invariably imposed reluctantly as businesses do not wish to 'punish' customers for increased costs brought about by new central government legislation.

Rosters

"We are also aware of businesses that have reviewed their rosters for public holidays, and have sought to employ limited staff on public holidays. We are concerned that such behaviour in the long-term will reduce employment opportunities available to those who wish to work in the tourism and hospitality industries."

These changes come when tourism is facing a number of competitive pressures. Tourism has been relied upon as a growth industry over the

last half decade, and has a history of a 50 year compound annual growth rate of five percent. But it has now slowed to an average which is well below three percent.

"Our export growth cannot be taken for granted in these uncertain times and TIANZ is concerned that a narrow approach to public policy will adversely impact on the future competitiveness of the industry."

Compliance

It says growing compliance costs imposed on small businesses such as in the proposed Bill, as well as ACC levies, higher local government rates and charges do not add to productivity - but raise costs and reduce competitiveness.

It is also worried about the increasing cross-rate value between the Kiwi dollar and those of our major tourism supplier nations.

"This is an important issue in our industry as the \$US is the international currency for travel products. It is clear that this increase will erode demand for international travel over the near future and experience shows that below average growth significantly increases business stress as they strive to satisfy not only their

customers but also their shareholders and staff."

TIANZ says the so-called "unintended consequences" of the Act are the result of poorly thought through legislation that was not supported by the business community in the first place.

"While in 2002 our industry welcomed the review of the holidays legislation with a view to making it simpler to work with, the outcome has been to make holidays legislation even more complicated and expensive for employers." TIANZ urges government to reaffirm its commitment to reducing compliance costs on small businesses and to amend the Bill by reintroducing ordinary pay as the basis for calculating holidays and sick pay.

It is also seeking a repeal of mandatory penal rates and instead to encourage employers to pay wages and provide conditions that attract quality staff and minimise turnover.

* See also pg9

DoC to speed up concessions processes

DOC is aiming to halve the processing times for concessions to operate low impact business activities on public conservation land, says Conservation Minister Chris Carter. "Over the past 18 months, DoC has been reviewing how it plans for the allocation of concessions, how it processes applications for concessions, and how it monitors them." (over)

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DoC to speed up concessions process

(from pg 1) He adds: "By working with the tourism industry and recreational groups, we have developed a new way of speeding up the processing of concessions, and improving the monitoring of them, without undermining the integrity of the public's conservation areas.

"At present, it takes roughly six to nine months to process a non-notified concession, which make up the majority of applications. Under a new system to be phased in over the next three years, we hope to reduce that timeframe to three to four months for low impact concessions," Mr Carter says.

Some 33 recommendations grew out of the review, most of which focused on improving the public planning for conservation areas to give people wanting concessions more information about which activities were likely to be permitted in a particular area, and which were not. Increased monitoring of the effects of concessions was also among the recommendations.

"This review has come at an appropriate time because demand for concessions to operate on public conservation lands is increasing. Last year there were 3,781 concessions in place around the country, 350 more than in 2000," Mr Carter adds.

"There is a growing awareness of the economic potential of our spectacular protected landscapes, particularly as their popularity increases. DoC estimates there were a staggering 33 million individual visits to conservation areas around the country in 2003, up from 28 million visits in 2002."

Vote for tourism-friendly candidates, advises TIANZ

TIANZ is urging operators to get behind local government elections and find out which candidates support tourism - and vote for them.

"Go to the meetings and ask the hard questions," is the advice of TIANZ CEO John Moriarty.

He says the support of local government is essential for the development of thousands of big and small tourism businesses. "Rates, water quality, sewer systems, roading - this is the stuff which tourism depends on and right now there's not enough of it."

He adds: "Many iconic areas have failed to plan for growth and find themselves in a tough situation where they need to expand under pressure. This calls for leadership and concerted action from local government leaders.

"Operators need to get out there and find out who in their region has got the vision to build the future," says Mr Moriarty.

The association is urging candidates to look at the regional benefits offered by tourism. They range from employment, improved amenities to front line conservation programmes.

"Take a break before the election to visit an operator in your region, find out what issues they face and meet that challenge." Mr Moriarty advises them.

Pages Past...

TEN years ago in IT...

HERITAGE Inns of New Zealand has been launched with 28 historic bed and breakfast properties from Russell to Lake Manapouri.

WAIRARAPA is to be marketed as the capital country escape. Capital because it's effective for marketing to Wellingtonians, country because that's what it is and escape because that's what people do there.

MOUNTAIN runners and the insane are being invited to race Christchurch's Mount Cavendish Gondola to the summit of the Port Hills. The gondolas will be slowed to give the competitors a chance - but only a little. The 945m race is part of the Gondola gutbuster, an endurance race for the super fit.

AOTEAROA Maori Tourism Federation president Tommy Wilson doesn't judge job seekers just on the basis of their paper qualifications. He asks about their music and sporting interests "to get a feel for what their personality is like." Then he tells them to make him laugh! "If they've got that spontaneity I know they are who I want to represent me! They must be able to make guests laugh - and they must have a broad general knowledge."

THE Korean market jumped 131 percent to 46,623 in the year to June. Last year the market increased 97 percent.

PRODUCTION designer Logan Brewer is to design the opening and closing ceremonies for April's PATA conference in Auckland.

SIX Lincoln University lecturers have suggested to the Select Committee reviewing NZTB (now TNZ) that there should be a review of all government agencies with respect to tourism planning and development. They are also calling for a comprehensive tourism plan. And they want debate on the board's terms of reference concerning increasing tourism without reference to the type of tourism sought. They say there's a good case for strong government involvement in tourism planning and management because it can't be left to the industry.

Ruapehu wants to be world class!

THE future of Ruapehu tourism is positive, says Ruapehu Mayor Sue Morris. After attending a one day workshop run by TNZ, Ms Morris said it gave everyone confidence in what the region has to offer. “After making sure our products are right we will be looking forward to seeing many more visitors to Ruapehu. We have to make sure we are ready. But the tourism route is coming through, so we will be able to grow on that.”

She added: “We are a young destination. And we want to make it a world class one. We want to make it the best. And we can.”

New route still to be named...

NEW Zealand’s latest tourism route is yet-to-be-named. But Ruapehu economic development officer Lisa Knight says it’ll start at Ngaruawahia, connect with the Thermal Explorer and draw travellers from the north through Taumarunui, Ohakune, Waiouru, Wanganui, Taihape and Bulls, ending in Wellington.

“Instead of letting people go across to Rotorua from Waitomo we want to grab them and bring them through

Taumarunui...” she says. The route will be marketed through a website, trade shows and a brochure.

The initiative is the work of Ruapehu, Wanganui, Rangitikei and 12 iwi which have worked together to attract \$2 million from the Ministry of Trade and Enterprise for what is their first Major Regional Initiative (MRI).

Ms Knight says the region has huge potential - but has not had a lot of money to develop as a major tourism destination.

The route will include the Pipiriki River Road, the Napier-Taihape Highway and the still-to-be signed Volcanic Loop around Tongariro National Park. A regional brand will be developed and the route named after that.

TNZ’s target market, the interactive traveller, is seeking nature, adventure, Maori and European arts, culture and heritage. “We have it all. It’s just a matter of bringing it together,” Ms Knight adds. “There are many beautiful walks. But they don’t generate a lot of income, which is why we are encouraging more guided activities to help manage the impact visitors have on the environment.

There will also be a series of trails, arts and culture, gardens and rivers...it’s all starting to happen. **(over)**

AJ Hackett Bungy Queenstown operates four bungy sites in Queenstown, the Ledge Sky Swing and the Kawarau Bungy Centre. We are currently looking to fill the following position:

Sales Manager

This is a newly established role within our organization, reporting to the General Manager – Marketing and working as an integral part of our Sales and Marketing team.

Based in Queenstown, the key accountabilities for this role are:

- * To achieve volume and yield targets against established sales channels
- * Develop and maintain a regular sales call cycle and manage the associated database.
- * Implement all other planned sales and promotional activity.
- * Prepare regular sales reports and manage relevant cost centres to budget.
- * Work closely with Queenstown based operations crew to ensure optimisation of sales and product delivery.

This is a highly results focused position with agreed sales targets and goals.

Proven experience in tourism related businesses is essential, with an appropriate tertiary qualification an advantage. You will need to demonstrate a high level of interpersonal communication skills, written and computer skills; a strong background in analytical based marketing and an ability to grow and maintain relationships with a diverse group of contacts. Your ability to travel throughout New Zealand and Australia is a key requirement for this position.

Forward your updated CV with a covering letter outlining your suitability for the role to:

Bungy New Zealand Ltd

PO Box 488

Queenstown

Attn: Nicole

OR

Email: nicole @ajhackett.co.nz

Applications for this position close on Wednesday 6 October 2004

ADVERT

New route still to be named...

(from pg 3) We will be well positioned once the touring route and collateral have been finalised.”

The MRI will act as an umbrella for the three-region initiative - but the separate tourism organisations will remain as they are.

The longterm plan is for businesses to build their confidence and for there to be outside investment so the region becomes a world class destination.

AirNZ, QF lose alliance bid

AIRNZ and Qantas on Monday expressed their disappointment with the High Court decision to decline their appeal against the Commerce Commission’s original decision to disallow the two airlines’ application to form a strategic alliance.

Air New Zealand MD and CEO Ralph Norris said that he is disappointed that, although disagreeing with the commission on many issues, the court had not concluded that the airlines’ appeal should be upheld.

“The alliance application put forward by Air New Zealand and Qantas has been a complex and challenging process for all concerned. At the time the application for the alliance was first lodged on December 9 2002, a number of predictions were made about the developing competitive aviation environment,” he added.

Compelling

“While Air New Zealand is in a much stronger position both financially and competitively than when the alliance discussions began, compelling reasons for an alliance still remain with many of our predictions now a reality with ever-intensifying levels of competition in the Australasian aviation market and fares at all time lows.”

Mr Norris added that his board and management team believe a robust platform has now been built to enable the airline to continue growing in the short to medium term.

Confident

“While we are cautiously confident that initiatives in train over this period will provide for the long term, given the inherent volatility and intense competition in this industry, this will be a considerable challenge.”

Qantas CEO Geoff Dixon, said the decision confirms the commission’s narrow view of competition and consumer interests.

“This outcome ignores both the reality of market-distorting government ownership and intervention in the global aviation industry and the major structural changes that are occurring around the world.”

He added: “The competition provided today by Air New Zealand is only possible because the New Zealand Government invested NZ\$885 million of public funds in Air New Zealand in late 2001.

“While this decision is understandable in the context of New Zealand aviation, true market forces were not allowed to operate - a position being repeated almost daily in the aviation industry around the world.”

Mr Dixon said that although an appeal is possible, QF will not take this option. “We need to move on,” he said.

New \$4M make-over for Arahura

THE Arahura, the Interislander’s major passenger ship, is back from a \$4.2 million refurbishment programme. Passengers will see a big change to the vessel’s interior in layout and facilities. In line with the strong intentions of owners Toll to reinvigorate the business, the ferry’s return will herald a new brand and livery for business and vessels. The business is now known simply as Interislander.

For the first time, Interislander will use a slogan to position itself in the market, “Nga Waka - New Zealand’s Ferries.” The use of Maori communicates pride in culture and heritage, and is intended to clearly identify what the business does and its importance in the travel activities of New Zealanders.

Arahura’s return is the first step in the reinvigoration of a ‘must-do’ activity for domestic and international travellers alike, providing more than just a means of transport between the two islands.

Visa captures 30% of all tourists’ expenditure

OVERSEAS visitors charged more than \$2,200 million to their Visa cards whilst in New Zealand last year. This is almost 30 percent of all tourist purchases.

A new report from Visa International shows that tourists made 13.1 million Visa card transactions - and most cardholders were from outside the Asia Pacific region. Visa International New Zealand manager Iain Jamieson says the report adds a new dimension to our tourism knowledge base.

“It summarises what we know about spending on Visa by inbound visitors to New Zealand and compares this to spending habits by inbound visitors across the Asia Pacific region.”

The report shows that the biggest Visa spenders in New Zealand during 2003 came from the UK, Australia, the US, Japan and South Korea. They account for 71 percent of the total spend.

Adds Mr Jamieson: “This report highlights the value of electronic payments in stimulating tourist spending. The growing importance of credit cards to tourists is amply illustrated by the fact that the number of transactions made by international Visa cardholders in New Zealand has increased by 96 percent since 1999.”

Council says no to arts and crafts centre

A hearing committee of Tasman District Council on Monday began considering a submission for a multi-million-dollar expansion of the Grape Escape complex in Appleby, near Nelson. The plan attracting more than 40 supporting submissions and only two in opposition.

Appleby Village Developments wants to turn the 3.4ha site into a hub for local arts and crafts.

But a council report says consent should be declined because the net effects on the environment would be “adverse and more than minor”.

Grape Escape co-owner Bob Haswell says the recommendation came as a shock.

Sandford's three keys to success...

SUCCESS is about: understanding the business you are in and focusing on it with a passion; value not price; working together - or "co-opetition."

Jasons Travel Media founder and CEO John Sandford told a Ruapehu industry workshop at The Chateau: "In other words it's learning when to co-operate and when to compete."

Mr Sandford said that tourism has been growing at five percent a year for the last 50 years and is now a fundamental business for New Zealand. "Even today it's hard for economists to accept that it's actually our biggest foreign exchange earner...25 times bigger than all wine exports alone. It's also very job rich..."

Rich

While 15 years ago international visitors stuck to the blue ribbon route, today they want to engage more with people.

"And that's a powerful message. This region is hugely rich in all sorts of heritage things. It has wonderful culture, fantastic geography and a huge array of things to do...this region is sitting ripe."

Mr Sandford, who was born in Raetihi, said that a challenge for New Zealand is its remoteness. "But this also offers huge benefits *because* it is remote - and one is safety! Through all the troubles New Zealand tourism has kept growing."

Operators must understand their businesses and be passionate about them. He wanted his business to be involved in tourism. So, he sold a raft of farming magazines his company ran. Turnover dropped 60 percent, profits 85 percent and staff by two thirds. "If we wanted to be in tourism we had to live and breathe the same way you do," he told the operators. "Then when you caught a cold we caught the flu!"

Jason

He named his company after Jason, the mythical Greek who led the Argonauts in search of the golden fleece. "He was too dopey to realise they would never find it. Business is like that. You have to dream," Mr Sandford added.

"The golden fleece can be anything you want. Don't assume it's about money. In can be about quality, a way of life...the challenge is that whatever you are really searching for doesn't exist...no matter what business you are in you are on this fantastic journey...You have to keep going one step higher. Today's excellence is tomorrow's expectation and that becomes the benchmark."

Mr Sandford said that if success in business is about price, all cheap motels in a town would fill first. But it doesn't happen because it's really about value for

money. "You have to think of the value proposition all the time." He advised. "You have to keep adding value." No two businesses are alike because they are dependent on different owners and staff. "Your businesses are as unique as you are as individuals. Adding value is about esoteric intangibles like good service, a good story..."

Value

Mr Sandford cited Dart River Safaris, Glenorchy, as adding value when they give more than just a jetboat trip. They explain the geography and tell stories.

Another jetboat operator offers a thrill trip. But Dart River Safaris provide an experience by adding value. The only cost to them is enthusiasm and energy.

"So your challenge is to figure out what is of high value to your customer and of low cost to you."

He quoted a Taranaki motelier who won business not by reducing her price - but by offering to clean guests' cars for free. And he highlighted a Picton property which had been charging \$81 a night because everyone else did.

Yet the owners had the best motel in town. When they increased the tariff to \$110 they did even better because they also added value. It took Mr Sandford two hours to convince the owners to put their prices up - pointing out they could afford to lose 25 percent of their business and still make money. "Why give away value in your business when you don't need to?"

PRO

When Mr Sandford was asked to set up the Ohakune Public Relations Office in 1983 he changed it to the more appropriately-named Ruapehu Regional Visitor Information Centre. It covered as far afield as Pipiriki, Taumarunui, Turangi and Taihape. And he persuaded PRO offices in Wanganui and Taupo to work with him in a bid to attract visitors to the greater region because holidaymakers couldn't care less about political boundaries.

"You guys collectively have two separate (Ruapehu) marketing groups," Mr Sandford told the operators. "Frankly that's nuts!" he said. "If you put together the \$100,000 you have each that would be worth far more than \$200,000. You have to look at growing the pie before you start slicing it up. You need to find ways to make the whole thing work and to co-operate with each other."

He added: "You have to be clever enough to work out to what level you co-operate with someone before (you make a bid for his customer)...You share your effort to draw people to the region which is very, very rich from a tourism perspective. It really does have huge potential. But you need to work together and put aside all your tensions...the word for it is co-opetition."

ADVERT

Visiting Stewart Island?

There's plenty of accommodation at Beach House and Kereru House. Bookings: Brenda and Roger Hicks on phone/fax 03-2191348

Thoughts from Africa...

THE industry in Africa is generally undeveloped compared to here, according to Clutha District Council Economic Development manager Murray Brass.

“Overland tours were little different to the way we would transport cattle to the freezing works - except, I think, there are limits on how long cattle trucks are allowed to drive without a break!”

During his 10 week tour Mr Brass found the Maison de Tourism in the capital of Madagascar was three blocks from where it was marked on its own map! “There were no signs to direct you to the correct place, and bored and unhelpful staff when you did finally find it.” He experienced constant hassles with hawkers, touts, and unofficial guides. “However, there were signs that things are changing fast, at least in some countries.

“Namibia has a huge amount of recent development in accommodation and wildlife, much of it good quality, and a number of the key locations are developing well-organised community-based tourism enterprises.

“Uganda was also getting right behind tourism. Nile River Explorers, a locally-operated rafting company, is one of the best-run adventure tourism operations I’ve seen anywhere. And Madagascar seems to be much safer and friendlier following political changes in 2002. So I think things are on the up (in Africa) other than in Zimbabwe and the Congo.

He was also intrigued to see the totally different markets: South Africans in Namibia, Spanish and Dutch in East Africa, and French in Madagascar. Mr Brass says developing nations are improving quickly. “If they can develop reputations as easy and safe places to visit it will change things considerably,” he tells us. “But Africa won’t be a competitor for some time.”

Top lodge offers new options

WHAREKAUHAU - which has just received the highest ranking of any New Zealand property in the latest *Travel and Leisure World’s Best Awards* - now offers the services of a new fly-fishing guide who has private access to some of the country’s best brown trout fishing over summer.

The property has also linked with a local golf pro, who is available to escort guests either by car to local courses, or by helicopter to courses such as Cape Kidnappers, Paraparaumu, or Heretaunga.

Also now available are a range of exclusive walking tours, which include helicopter rides to Kapiti Island or Abel Tasman National Park.

Journey of discovery: *Older and Bolder*

JUST out is Judith Doyle’s new book *Older and Bolder*, launched by Dame Fiona Kidman.

It recounts Ms Doyle’s exploration of the New Zealand outdoors ‘when age is no limit to outdoor adventures’ as the subtitle puts it.

She writes of tramping and cycling trips; kayaking in the Marlborough Sounds; cross-country skiing at Cardrona; canoeing the Whanganui; hot-air ballooning; gliding; blackwater rafting and horse-riding in the Ureweras...

Out of your comfort zone? Don’t you believe it, she says. “If older people undertake these adventures with a professional company, which adds security and increases confidence, they can tackle all sorts of activities. It’s been a wonderful voyage of discovery for me - and I was over 60 years of age for ALL these adventures.”

* Ms Doyle is a former TNZ (Then T and P) press officer.

Adams is Choice sales manager

ROCHELLE Adams is now New Zealand sales manager for Choice Hotels. Her job is to represent inbound and outbound business across all market segments, in particular strengthening the corporate market and assisting in broadening brand awareness within New Zealand.

Kayaking now at Akaroa

NOVEMBER 1 sees the start of something new for Akaroa Harbour - eight-hour guided kayaking tours, operated by Black Cat Group.

Where else can you kayak with a maximum of five other people into enormous volcanic sea caves, and get up close and personal with the marine life of the harbour?

The tour costs \$125 and includes lunch, afternoon tea, a tour of the local marae and all equipment.

Details:

www.kayakingadventures.co.nz

No longer ITOC member

TAT Travel Ltd, Auckland, is no longer a full member of ITOC.

2.9M in seven months

THERE were 2.9 million visitor arrivals to Australia during the seven months to July, an increase of 15 per cent. For the month of July, there were 472,000 international visitor arrivals, a 14 per cent increase.

New VIC for Hutt

THE Hutt City Visitor Information Centre is now at The Pavilion, 25 Laings Rd. Manager Tony Leatham says the new centre - which opened on Tuesday - offers a larger range of services including travel and accommodation bookings and Internet access.

Spirit of Milford

THE Lady Stirling 5 has been given a \$1 million facelift! The Milford Sound-based Red Boat Cruises’ catamaran has a new name - Spirit of Milford.

Twain makes tracks

CANADIAN singer Shania Twain has agreed to spend \$221,000 on an alpine walking track to meet the conditions of a \$21,447,000 million deal to buy the Motatapu and Mount Soho high country stations near Wanaka. Ms Twain - real name Eileen Regina - and husband Robert “Mutt” Lange, have agreed to create the track, huts and facilities, which will likely form part of a nationwide hiking trail known as Te Araroa.

Managing your debtors

**By Christmas Gouwland
business advisor
Leicester Gouwland**

SOMETIMES, throughout the year, cashflow can become strained.

Whatever the reason, you may find you are not paid in a timely manner. Here are some ideas to help ensure that you get paid on time and keep your relationship stress-free:

Establish Payment Terms

As different businesses have different trading terms, you must ensure that yours are clear to your customers.

You may also have different terms for different customers, depending on their importance to you.

So remember to document exactly what you expect of each of your customers.

A good idea is to send a letter to new customers, which should include your expectations about payment.

Don't forget to send an update to all your existing customers should any of your terms and conditions change.

Make sure you include your trading terms on your invoices, and on other materials, and ensure that

your team is well trained on your terms and conditions.

Collection

Once the payment due date has passed you need to start chasing any non-payment immediately. Perhaps send out statements to begin with.

This could act as a gentle reminder to those customers who have simply forgotten to pay. A statement is also a useful tool for your customers, to remind them of their total invoices for the month.

You could then follow this up with a phone call, perhaps a week later. But don't leave it too long, it is important to start chasing the debt before it gets too old. A phone call is a personal way of reminding your debtors that they owe you money. It is an opportunity for them to explain why they haven't paid yet, and when they intend to pay. You should document your conversation, so that if you need to follow-up further you will be able to recall what your customer told you during the last phone call.

Your conversation may make you aware of poor service provided or remedial work to be done. Action these points quickly to stop any lasting damage.

Follow-up, follow-up, follow-up!

It is important to consistently and regularly follow-up with customers for any non-payment.

If someone says they will send you

a cheque that day, remember to contact them again within a few days if it hasn't turned up.

If a customer gets into trouble and can't pay, and they are customers that you would like to keep, consider allowing them to arrange payment terms to pay the debt off. It is better to receive some money each week or month until the debt is cleared, than nothing at all. Consider a proviso that they only keep trading with you based on adhering to your trading terms.

Consider accepting credit card payment. Then if your customer gets into problems they will have a debt to the credit card company, but you will have been paid.

Reward good payers

Perhaps offer a reward to those people who pay on time. For example, close to Christmas, why not offer a Christmas bonus - perhaps a Christmas pudding or box of chocolates.

Simply add onto your end of November statements that you're giving away a little Christmas surprise for all those accounts that are paid by your deadline date.

Remember, managing your debtors is an important part of managing any business.

Don't let your debtors be neglected and, remember, don't be embarrassed to ask for what you are owed. It is the customer who will be embarrassed...

Marine reserves are no go areas - DoC

DOC says the conviction of two men in Nelson District Court on charges of taking marine life from Tonga Island Marine Reserve serves as a reminder that fishing is not allowed in such reserves.

The Canterbury men had pleaded not guilty. But they were found guilty and convicted. A third man was also found guilty on a charge of taking marine life but was discharged without conviction because of personal circumstances.

The three men had been on a boat when they were seen by a DoC ranger fishing inside the reserve which is on the Abel Tasman National Park coastline.

DoC Motueka area manager Colin Wishart says the case reminds people that marine reserves are no go areas for

fishing and that people have a responsibility to ensure they know where marine reserve boundaries are and not to fish inside them.

Cargo Shed opening delayed

THE opening of Tauranga's answer to the Sydney Rocks area, the Cargo Shed, has been delayed while organisers seek funding from government.

It was to have opened next month but is now likely to be delayed. But Tourism Bay of Plenty chairman Jeff Major says: "This project will definitely go ahead."

Events which are already booked at the Cargo Shed, include the Tauranga Moana Tangata Festival as part of the festivities 'AHI KAA' Contemporary Art Exhibition from October 22-25.

Government wins kudos for spending millions on border processing

TNZ welcomes additional funding for facilitating visitors at Auckland and Christchurch airport, saying it's important visitors get a good first impression.

PM Helen Clark has announced an extra \$5.75 million this financial year for border processing, with increased funding to \$7.7 million in future years.

TNZ CEO George Hickton says the funding will have a significant impact on our international visitors' first experience in New Zealand.

"Many of our visitors travel long hours to get to New Zealand, so it is vital that when they arrive they receive a warm welcome and complete arrival formalities as quickly and smoothly as possible."

Feedback

He adds: "We had already received anecdotal feedback about the length of time people were waiting to be processed during peak periods, and it was timely to address this congestion issue before it began to have a significant negative impact on our visitors' experiences."

The funding will increase customs and MAF staffing. A focus will be on ensuring full staffing during peak arrival times.

The money will also ensure that we have world-class border control service, which is vital for the industry, according to Mr Hickton.

"Tourism New Zealand is working to attract high-quality travellers to this country, that will spend highly and travel throughout the country. These visitors have an expectation of service, across all facets of the tourism industry.

"The quality of service provided at the frontline by our customs and MAF officials can have a huge bearing on visitors' perceptions of New Zealand. This additional funding will help ensure that this part of the New Zealand tourism equation is operating as efficiently as possible."

Quality

Tourism Minister Mark Burton says that if we are to sustain our reputation we have to ensure our guests have a quality experience from the moment they arrive. "Lengthy queues and airport congestion are hardly the way to begin a world-class holiday. By providing more personnel and new equipment on the ground, we are taking proactive steps to address these issues before the beginning of the busy peak season."

TIANZ spokesman John Moriarty says: "An ongoing increase in visitor numbers has been forecast for many years and if the government values this growing export income then essential public services at the border must be funded accordingly.

"The package announced supports the significant investment Auckland International Airport Limited and Christchurch International Airport are making on behalf of the whole industry to deliver a quality service to our international visitors."

* The provision of 96 extra Customs and 17 new MAF staff at Auckland International Airport underscores government's commitment to the tourism industry and complements major improvements already underway, says CEO Don Huse. In the year to June, the airport processed 10,757,506 passengers, an increase of more than 14 per cent on the previous year.

Research pinpoints golfing potential

MAIN sources of overseas golfers who use New Zealand courses are Australia (45 percent), North America (19 percent), UK/Europe (14 percent) and Japan/Korea (eight percent), according to new research by Horwath Asia Pacific. It found that membership fees at golf resorts - as opposed to clubs - were appreciably higher, with an average of \$1,225 compared to \$780.


Peak demand, based on the number of rounds, is from December to May, with the highest in December and the lowest in September. The greatest ability to lift utilisation appears to be September to November, followed by January to March, the research shows.

Costs

The survey also found that, compared to clubs, resorts have higher staffing levels - with costs more than four times as high. Resorts also have notably different revenue streams, including accommodation and real estate.

Revenue from green fees was 50 percent for resorts, compared to 20 percent for clubs.

Best of Golf New Zealand spokesman Geoff Burns says the resorts invest more in their international marketing and their higher prices are in line with this. The cluster is working to promote New Zealand as a golf destination. The organisation's goal is to increase international visitor numbers, and therefore grow accommodation and green fee revenues, for the Best of Golf New Zealand courses.



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Many businesses will close over holidays, HANZ tells Select Committee

HOLIDAY revellers should be prepared to pay a hefty premium for dining out over Christmas and New Year.

The costs and complexity of the new Holidays Act will result in fewer staff being employed on public holidays and fewer premises opening, says HANZ CEO Bruce Robertson.

He says that with effectively eight public holidays this Christmas - instead of four - many operators are expected to remain closed.

“Quite simply, operators not imposing substantial surcharges will lose big money.”

He has told the Select Committee considering the Holidays Amendment Bill that the association has developed a 22-page resource for its members to help clarify employee entitlements.

“This is far from the simplification promised when the Act was amended, and it’s obvious that the actual cost and the compliance cost is raising serious economic issues for some businesses this year.”

Mr Robertson called on the committee to provide an option for employees to cash up the day in lieu and remove the “Mondayising” component which doesn’t work for a seven day industry with many part-time staff.

“There will be a widespread negative outcome if a common sense practical solution cannot be found to provide employees and employers with more choices so that patrons can have more eating and drinking options this Christmas/New Year,” Mr Robertson told the MPs

Tourist park plans stall

PLANS for a multicultural tourist park in Flaxmere have stalled, with Hastings District Council refusing to pay \$40,000 for a feasibility study - until it has more information.

Dead tourist had emailed home concerns over car

A Japanese tourist presumed dead after his rental car plunged off a cliff on the West Coast had complained of handling problems with the car a few days earlier, his inquest has been told.

Police told West Coast Coroner Tony Sullivan that they believed Mikimaro Nakanishi, 63, had died in the crash and that it was unlikely his body would be found.

Mr Nakanishi emailed his family in Japan and in one of his last messages he noted that the Mazda “would not respond quickly enough when he took his foot off and surged ahead when accelerating”, according to Sergeant David Cross.

But he said a check through the service reports showed no difficulties with the vehicle, and the previous hirer had driven 264km without problems.

Deadline looms

OPERATORS wanting to take part in TNZ’s discount programme for travel agents and media are reminded that applications close on October 1. Details: www.tourisminfo.govt.nz.

Aussies first, NZ third best destination

AUSTRALIA has been voted the best destination in the world by readers of *Conde Nast Traveller*, UK. The seventh annual Readers’ Travel Awards saw it top the best country category for the third time, this year ahead of Thailand. We were third. Sydney ranked as one of the top five cities. Wellington was 18th.

AirNZ was judged the world’s best airline. Huka Lodge rated second best accommodation in Australasia with Blanket Bay Lodge, Queenstown, and Mangapapa Lodge, Hawkes Bay, also featuring.

Polynesian Spa, Rotorua, was rated the ninth best spa in the world.

F and B sees red over RMA review

WE may want a clean green environment, but government has put greater weight on giving pet infrastructure projects a helping hand in recent announcements on the RMA review.

Forest and Bird spokesman Geoff Keey says: “It’s a pity that the government has put politics ahead of good environmental decision making.

“We hope that people go to RMA Minister David Benson-Pope’s advertised RMA meetings and urge him to start putting New Zealand’s environment and our valuable ‘clean green’ reputation first.”

He adds: “We’re obviously relieved that earlier proposals to amend the purpose and principles of the RMA have been abandoned, but a number of today’s proposals are way off the mark.

“We have consistently asked the government if there is evidence to justify special processes for pet infrastructure projects and we still haven’t seen anything.

“It seems that a lack of justification is no barrier to changing the law,” he adds.

The National Institute of Water and Atmospheric Sciences published research showing most of our lowland streams and rivers are too polluted to safely swim in. “Clearly cleaning up New Zealand’s lowland streams and rivers is a priority for national standards, but it has been completely overlooked in this review,” Mr Keey adds.

Walshe chairman

NEW chairman of Tourism Auckland is Walshe Group Ltd executive chairman Rodney Walshe. He replaces Barry Neville White.

New trustees on the board are: Auckland International Airport CEO Don Huse; Quay West Suites and Sebel Suites Auckland GM Janet McBain; Regency Duty Free Stores director Kelvin Ricketts.

They replace Gordon Campbell, Geoff Burns and Campbell Shepherd.

Major butterfly attraction to open

BUTTERFLY Creek, Auckland's newest visitor and entertainment venture, is entering the last stages of its metamorphosis and is about to emerge as one of this country's premier attractions.

The Butterfly House is the flagship attraction. The complex, which will have 70 species, will open on October 21.

GM John Dowsett admits to having a few butterflies himself in the lead up to the opening - but is confident the attraction will take flight.

"After all, butterflies do symbolise prosperity in many Asian countries."

He adds: "We are justifiably proud of what we have achieved at Butterfly Creek. The mix of attractions on offer is unique. We are certainly world-class in both scale and quality, with products targeting both the domestic and international tourist markets."

We're 8th most popular in Singapore

NEW Zealand is the eighth most popular destination for holidaying Singaporeans, according to a survey by global research company A.C.Nielsen. Most popular is Thailand. Australia is third.

The survey also shows that among Koreans, Singapore is their eighth choice, the same as for us.

Landmark hotel for sale

ONE of Hawke's Bay's landmark hotels, The Tavistock, in Waipukurau, is for sale. The two-storey property was built around 1925. It replaced another hotel constructed on the same site in 1856.

Marketing agent Bill Brown, of Bayleys Hawke's Bay, says the building has a ground floor area of 1,850 sq m and stands on a 2,567 sq m site.

Cabaret for a carrot

THE 20th anniversary of Ohakune's famous giant carrot is to be celebrated in the Ruapehu town on October 9. Carrot fanciers from around the country will take part in a range of events including a carrot cabaret, according to organiser Kandy Mott. Details: 021-744573.

12% growth continues unabated...

INTERNATIONAL arrivals increased 12 percent in the year to July, to reach 2,289,271. Overall, holiday arrivals were up 10.9 percent to 1,176,557 while VFR rose 16.7 percent to 635,485. The number of Australians increased 22.9 percent to 811,391 on the back of a 29.3 percent jump in holidaymakers (327,503) and 21 percent more VFR (281,216). The UK/Ireland increased 10.7 percent to 296,355 while the US went up 3.9 percent to 215,896. Japanese arrivals were up 4.9 percent to 164,663 and Koreans increased four percent to 116,078. Taiwanese arrivals went up two percent to 27,227 and Germans by 5.8 percent to 54,988. Visitors from China rose 20.5 percent to reach 79,372 thanks to a 38.6 percent increase in holidaymakers (36,808) and 23 percent more VFR (11,893).

Question we should NOT have asked...

WE often wondered what happened to Fast Eddie, the amicable and oh-so-efficient porter/receptionist/bellboy/barman Queenstown hotel staff member who became a legend in his own lunchtime.

This week we found out - and we wish we hadn't! Fast Eddie Olson is at Paparua Prison, Christchurch, serving a minimum of 15 years after he pleaded guilty in February to murdering Englishman James Weeks with a pickaxe and crowbar.

No comment on priorities

AIRNZ has declined to comment further on a reader's claim that according to International Civil Aviation Organisation safety recommendations in the event of an emergency over water that passengers should kick off their shoes before using the emergency evacuation chute. "So what comes first with AirNZ: dress codes or passenger safety?" asked the reader.

"In the event of an emergency it seems like barefoot kids would be off to a flying start, so to speak."

He was commenting on a report that an AirNZ Christchurch-Wellington flight was delayed when the pilot refused to fly after it was discovered that two young passengers had boarded the flight without shoes.

Qualmark can shape industry's future, says new CEO

GEOFF Penrose says he's been 'intersecting' with tourism for several years - now his new role as CEO of Qualmark puts him in the heart of the industry. He replaces Fiona Luhrs who becomes TIANZ' CEO in October.

Mr Penrose believes Qualmark is in a key position to shape the future of the industry.

"New Zealand's reputation as a world class destination relies on visitors having a quality experience.

"The greater the emphasis on quality, the better the experience then the better New Zealand's reputation becomes through word-of-mouth. Ultimately that will increase New Zealand's image as a destination of choice."

Since its relaunch in 2002, Qualmark has signed up almost 1,300 quality assured operators. The largest growth sectors are guest and hosted and self contained and serviced accommodation - and the visitor activity segment.

Mr Penrose says quality has been a focus of his for years. He was quality services manager for Auckland City Council and was trained as an NZQA business excellence workplace assessor.

"The Auckland Art Gallery is a strong example of quality management," he adds.

"Different art genres meet the needs of different visitors, yet all exhibitions must be provided with integrity and authenticity in an environment of excellence."

He says: "I'll be looking to bring that approach through to Qualmark to enable it to continue to progress successfully. Qualmark is poised for further growth."

No one yet knows tourism's TRUE worth to government

TOTAL government revenue earned from tourism is complex and can't be calculated without a substantial investigation, says Ministry of Tourism (MoT) research manager Bruce Bassett.

The Ministry has asked Statistics New Zealand (SNZ) if it can help by incorporating total tax revenues into the Tourism Satellite Account (TSA). "Due to data issues, however, SNZ advised that this could not be achieved. Headds: "The Ministry is aware that such investigations have been undertaken elsewhere in the world and we will certainly see if these approaches could be applied in New Zealand.

"This would be a reasonably major project that would take some time to undertake, if it were possible at all." He was commenting after our request for details of the total tax take by government from tourism, including GST, petrol and excise tax and any other earnings - as well as government's total outlay on behalf of the industry.

GST

But Mr Bassett says the only figures available are the GST take: international at \$487 million and domestic at \$724 million - totalling \$1,211 million. "In addition to tax revenues, the government receives operations revenues of various sorts for tourism-related activities. "These are contained within the budgets of a wide variety of agencies and are not collated. Within Vote Tourism, revenue of \$700,000 is expected in 2004/05 for rental for Crown-owned lands and assets."

On expenditure, Mr Bassett says \$60.4 million goes on marketing New Zealand, through TNZ, \$7.2 million is spent on policy and research via the MoT, \$4.1 million is earmarked for the tourism strategy and \$300,000 for the Tourism Facilities Grants Programme.

"As with the revenue...there are many other tourism-related expenditures incorporated in the budgets of other agencies and these are not specifically collated.

"Such a collation process would be difficult due to the nature of the activities that are generally integral to the agencies involved but would have varying direct linkages to tourism. For instance, DoCs visitor services may be transparently tourism-related, but Police budgets less so, but may be equally important to tourism. Furthermore, there is considerable expenditure by local government on infrastructure that is used by visitors, but again the quantum is very difficult to determine."

The question was posed by readers after we quoted (IT506) a 1997 National Bank report which shows that for every dollar government invests in tourism the return is at least \$45.

Museum for chocolates to open

THE Silky Oak Chocolate 'Thru The Ages' Museum, to open in Links Road, Napier, in October, is thought to be the only one of its kind in the southern hemisphere. The museum will take visitors through 3,000 years of how chocolate has evolved to the present day. On display will be the process of making chocolate from 'bean to bar'. Details: 06-8450908, fax 8450906 or www.silkyoakchocs.co.nz.

Ex TNZ GM joins Tourism Australia

FORMER TNZ GM marketing Ian Macfarlane is now director, marketing services, for Tourism Australia. Mr Macfarlane, who was a leading light in TNZ's successful 100%Pure campaign, left some months ago to become CEO of the Gold Coast Tourism Bureau.

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ROTORUA - Holiday Park on the banks of the Waiteti stream on the outskirts of Rotorua. Park can accommodate in excess of 120 people. 6376 sq. metres of land. The lake is 400m walk away along the stream. John Perrett 027 656 5464

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