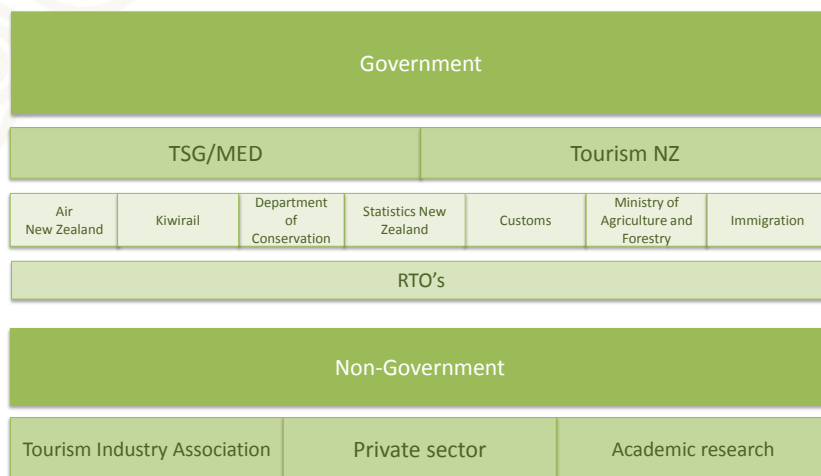


Practical issues in developing a TSA

The New Zealand perspective

July 2011

NZ Tourism structure



2

Issues

- ⊙ Frameworks
- ⊙ UNWTO standards

- ⊙ Industry wide approach - holistic view
- ⊙ Partnerships/ joint ventures

- ⊙ Independence/credibility
- ⊙ Government policy
- ⊙ Funding
- ⊙ Expertise

3

Issues

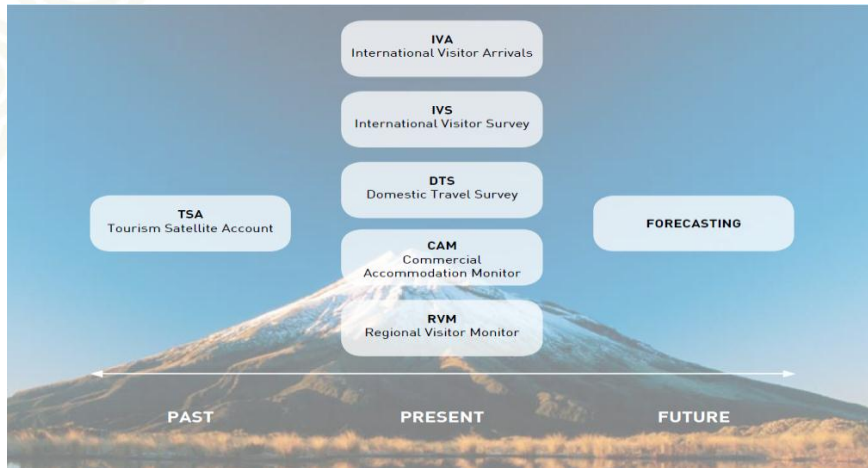
- ⊙ Access issues
- ⊙ Commercial sensitivity/security vs enhanced data sources
- ⊙ Confidentiality

- ⊙ Adaptability; indirect calculations

- ⊙ Timeliness

4

Industry workshop/direction



5

Source issues

- ⊙ DTS reworking; future
- ⊙ IVS reworking

6

Point of interest:

Impact of GST increase on Tourism



- ⊙ Product = \$100 excl GST; Retails for \$112.50
- ⊙ At 15% product would retail for \$115.00

- ⊙ Measuring this change:
 - > Percentage point increase = 2.5
 - > GST revenue increase = \$2.50 increase or 20%
 - > Retail price increase = 2.2%

Note: Not all goods and services consumed by tourists are subject to GST and thus the overall price increase would be slightly lower

7

Point of interest:

Impact of GST increase on Tourism



- ⊙ Tourist type impact:

Domestic tourist demand

- i. potentially neutral
- ii. any alteration to tourist expenditure behaviour could be offset by changes to income tax brackets

International tourist demand

- i. difficult to determine
- ii. multiple assumptions and influences

8

Summary

- ⊙ Conceptual
- ⊙ Capability
- ⊙ Co-operation/collaboration
- ⊙ Timing
- ⊙ Communication