

An aerial photograph of a coastal cliff with turquoise water. The cliff is light-colored and has a small structure on top. The water is a vibrant blue-green color. The sky is blue with some white clouds.

TOURISM EXPORT  
COUNCIL OF  
NEW ZEALAND

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ANNUAL REPORT

2020 - 2021



# WHATS INSIDE

CHAIR REPORT  
CHIEF EXECUTIVE REPORT  
BOARD OF DIRECTOR/MEMBERSHIP  
KEY PROJECTS AND ADVOCACY  
YOUNGTEC REPORT  
FINANCIAL STATEMENTS

**54**  
**ITO**  
**MEMBERS**

**29%**   
**COMPARED TO**  
**2020**

FIGURES AS AT 31 MARCH 2021

**210**  
**ALLIED**  
**MEMBERS**

**14%**   
**COMPARED TO**  
**2020**

## Allied Member Sectors

38 Accommodation  
89 Attractions/activities  
29 RTO  
22 Tourism Services  
32 Transport

# CHAIR REPORT

Anna Black

Kia ora koutou

When preparing this year's Annual Report 2020-2021, it is with such mixed emotions. Whilst we gather in New Plymouth to celebrate 50 years of ITOC and TECNZ, we are dealing with what is without a doubt the biggest challenge our industry has ever faced.

However even with COVID, we must celebrate 50 years of continuous service to the tourism industry, the role our inbound sector has played and our pride in the industry's achievements. Upon reflection, I think despite the devastation many of us continue to face, it is even more important to acknowledge the achievements of our members during this time of crisis.

Some of TECNZ's key activities over the past twelve months include:

- Input into the COVID-19 Tourism Advisory Group meetings
- Input into MBIE tourism industry update and planning for the future meetings
- Presentation of the TECNZ Election Manifesto 2020 paper to all MPs and candidates
- Briefing paper for Incoming Ministers (BIM, sent February 2021)
- Development of Tourism Trade Checklist (TTC) and COVID-Ready online portal
- Investment with political lobbying firms to help shape TECNZ's key messages
- Ongoing communication with MBIE, Tourism NZ, Tourism Industry Aotearoa and other national tourism organisations to keep updated and connected
- Support for members through variety of activities and comms
- Lobbying firstly for recognition of ITOs as essential Strategic Tourism Assets with some offers of loans then grants through the controversial STAPP process

More detail of TECNZ's activities will be provided in the Chief Executive report.

We would like to say to all our members who renewed their membership over the past year, thank you. It has meant a lot and helped the organisation immensely. The Board and team appreciate your continued support of the organisation and our activities. This time last year (August 2020) we hoped the New Zealand border would have been reopened for the 2021-2022 season. Unfortunately as we entered 2021, the rest of the world was (and still is), grappling with their own COVID-health management and vaccination programs and international travel is largely not happening around the globe.

The immediate future is uncertain for the New Zealand tourism industry. The International Tourism Recovery Plan 2021-2025 shows TECNZ is projecting a return from international visitors on a market by market basis over a phased period in 2022 and 2023. We anticipate New Zealand will reach pre-COVID international visitor numbers (3.9million) in the 2024-2025 year. Demand from our offshore wholesalers and agents for their clients to travel to New Zealand is high. This is encouraging and has been factored into our thinking and future planning.

# CHAIR REPORT

Anna Black

The organisation has been extremely well-run by our CEO Lynda Keene who has been the glue holding us all together over the last 18 months. The Board and I are immensely thankful for all of Lynda and Louisa's efforts in keeping us focused, members connected, forging new and strengthened relationships with Government, and driving education of the role the inbound sector plays across multiple channels for many audiences and stakeholder groups.

The Board and I would to particularly thank our strategic partners NZ Maori Tourism for their ongoing support of TECNZ's work. Without partnership support from NZ Maori Tourism, the organisation would not have been able to achieve some of the investment needed for our political lobbying work, development of new initiatives like the Tourism Trade Checklist (TTC), legal advice needed and help with operational matters. Kia ora.

On a personal note, I would like to thank the TECNZ Board for their commitment and support to the organisation over the past two years. There has naturally been a much bigger commitment needed to adjust and adapt our sector and the organisation of TECNZ to an evolving and ever-changing environment. Your efforts and leadership in the industry are appreciated. This will be my last Annual Report as Chair as I step away from the Board after 12 years, 4 of those as Chair. The support from each board member, past and present, along with strengthened friendships has, and will continue to be, something for which I am incredibly grateful.

In closing, we acknowledge that many businesses in the industry are suffering and the likelihood of surviving another six to twelve months without international visitors will place many at the most difficult crossroad of decisions. We sincerely wish every member all the best as we hit the next 'hunker down' phase and get to the start line of when the NZ border reopens. By working and supporting each other, we will get there..

We know international visitors will return and the industry will once again be delivering on its host and manaakitanga responsibilities with a renewed sense of gratitude, quality service and opportunity. We will prove our industry's resilience and once again earn NZ's accolade of being been the country's No.1 export industry. It might not happen overnight, but it will happen.

Ehara taku toa,  
i te toa takitahi,  
Engari, he toa,  
takitini

Success  
is not the work of one but the work of many

Anna Black



# CHIEF EXECUTIVE REPORT

Lynda Keene

Kia ora koutou. Where to start... what a year...for all the wrong reasons.

The impact of New Zealand's border closure on our member businesses grabbed hold from the start of the 1 April 2020 and has never let go. It has been an ongoing rollercoaster for members as survivability has become paramount. We know many of you have cut costs, reduced staffing levels, redone annual budgets and cashflow forecasts on a weekly (not annual) basis, in an effort to try to keep operational whilst only relying on the domestic market.

Our organisation has also not escaped the impact of COVID-19 on its operations. The Board has done everything it can to minimise risk and allow the organisation to be in a position of providing ongoing services to members involved in the international tourism sector.

Thank you to all members who have been able to renew their membership. Your support has certainly helped the organisation face the challenges of today and the new financial year in 2021-2022.

A summary of our key activities over the past year are noted over the following pages.

## Financial Performance

All our key performance indicators showed a decline in results compared to previous 2019-2020 reporting. This was due to a drop in membership numbers and associated revenue. Expenses were reduced as much as possible. Although the organisation stripped back expenses as much as it could, new investment was required to undertake extensive political lobbying, legal advice on the zero-rate GST matter, investment in a mental and wellbeing seminar for members, and the development of the Tourism Trade Checklist and COVID-Ready online portal.

The financial result and draw on reserves could have been more significant without funding support from NZ Maori Tourism. Our thanks to NZ Maori Tourism for their continued support of TECNZ's work. It is very much appreciated.

- Total income \$328,669 decreased by -51%
- Membership revenue \$254,543 decreased by -31%
- Total expenses down -36% to \$390,837
- Net loss of \$-65,425
- Equity reduced from \$328,561 to \$263,136, down -20%



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## Membership

As expected, membership for both ITO, Allied and Young TEC members saw a drop due to the prospect of businesses having zero revenue generation opportunities until the NZ border reopened. Last April I'm sure many of us thought or hoped that COVID-19 would be a short-term six-month impact on international tourism. How wrong that has turned out to be. Past and present membership numbers are noted below.

Year	ITO	Allied	Young TEC
2019-2020	73	243	253
2020-2021	54	210	164
2021-2022 (current)	63	225	141

## Advocacy and Lobbying

The past twelve months has seen a level of advocacy and lobbying never seen before. The single biggest focus for TECNZ has been on educating Government and officials on the role Inbound Tour Operators (ITOs) play within the international tourism distribution system, and how critical the survivability rate of ITOs and members are to New Zealand's international tourism recovery.

In addition, it was important to highlight the role many of our Allied tourism businesses have played in creating NZ's global reputation over a fifty year (50) period. No one business can achieve the reputation NZ has on its own. It is a combination of many businesses investing thousands/millions of dollars promoting NZ as a desired destination...and more importantly, to consistently be delivering a quality visitor experience to match visitors' expectations over five decades. This is where our Allied members really take the limelight with delivering on ITO and Tourism New Zealand's promises of having a special once-in-a-lifetime unforgettable holiday in Aotearoa.

Over the past year, we have worked collaboratively and strengthened our relationship with the Board of Airlines New Zealand (BARNZ), Tourism New Zealand (TNZ), Tourism Industry Association (TIA), Regional Tourism New Zealand (RTNZ), NZ Cruise Association (NZCA), Business Events Industry Aotearoa (BEIA), Bus and Coach Association (BCA), Hospitality NZ and ProGuides. It has been important to support a shared message with Government.

As a collective, outside of the Government's main financial funding mechanisms that all NZ businesses could apply for (wage subsidy etc.), the tourism industry was a recipient of \$400million of government funding through the Strategic Tourism Assets Protection Program (STAPP). This fund although very welcomed with its initial announcement in May 2020, unfortunately created tension and conflict within the industry as the process unfolded and recipients were named. TECNZ did its best to lobby for all its members to be grant recipients.

We'd like to thank members for their contribution to the numerous surveys we've conducted over the past year. Data collated has been helpful in preparing briefing papers and letters to Ministers.

## Health and Safety

Health and Safety has always been at the forefront for our member businesses and as they respond to the new norm of a COVID environment, health and safety becomes an even higher priority in daily operations.

Last year (2019-2020) TECNZ promoted and activated the Australian Tourism Export Council (ATEC) Tourism Trade Checklist for ITOs and tourism suppliers. In November 2020, we launched our own customized Tourism Trade Checklist that has a new feature for suppliers to demonstrate they are COVID-Ready with the facility to upload their COVID Health & Safety Plans.

The Checklist is an online portal where ITOs can immediately go to a suppliers listing and see what type of Health & Safety Plan your business has. It's a one-stop shop for ITOs. Suppliers can make changes to operational and compliance plans and ITOs can see the updated documents immediately.

The business receives two badges and a World Travel & Tourism Council (WTTC) Safe Travel Stamp. It will be critical for businesses that wish to welcome back international visitors through their doors that you can demonstrate the business is COVID-Ready. This information has now become standard criteria from offshore wholesalers and agents, irrespective if the booking comes direct to your door or through and ITO. We currently have 120 businesses signed up.



## Department of Conservation

The ITO 10-year concession is up for renewal or renegotiation in 2022. The Board's DOC Committee met on numerous occasions to discuss its approach for the renewal of the concession. With NZ's border still closed to international visitors, the Board has proposed from a simplicity perspective, to renew the existing terms and conditions of the current concession for ITOs.

## Events

The organisation ran numerous forums and webinars during the 2020-2021 year. Topics selected were deemed most appropriate for members at the time. All were well attended.

- 14 April 2020 Separate ITO and Allied Forums
- 21 April 2020 Full member Forum (Tourism Temperature with 5 guest speakers)
- 5 May 2020 Mental health and wellbeing webinar (Lynnette Buurman, Jordan Smith, Jamie Fitzgerald)
- 26 May 2020 Immigration and employment legislation webinar (Anthony Harper lawyers)
- 2 June 2020 Specific ITO and Allied Forum
- 8 September 2020 Mental health and wellbeing webinar, Clinical Psychologist Jacqui Maguire
- 2 December 2020 ITO Forum
- 2 December 2020 Xmas Symposium in Auckland (242 attendees)

## Communications 2020-2021

Increased and relevant communication has been at the forefront of our activities in keeping members connected and informed of what's happening within the industry and on the political front.

- 4 ITO Forums
- 2 Allied Forums
- 7 Member Surveys
- 35 Newsletters
- 87 Articles where TECNZ provided comment in media

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## The Team and Board

TECNZ does not have a big team. However, it is highly productive and valued by myself and the Board. Louisa Turner looks after communications, daily operations, Health & Safety and YoungTEC admin. In December 2020, Tania Stevenson who previously looked after membership and events left the organisation. Since January 2021, Louisa has picked up all administrative tasks in what has been a huge year of constant change, and done an outstanding job. A real credit and asset to the organisation. Thank you Louisa.

It's been another active year for the Board with a requirement to be quick and responsive to the many emails, phone calls and decisions needed to keep the organisation on track with achieving its goals and effect positive change. I am conscious that everyone has a business they are trying to keep afloat. Board members have gone over and beyond of what was or is expected of a not-for-profit and volunteer Board. I highly value the work we've done over the past twelve months. It has been challenging but equally rewarding to be working with such a group of passionate tourism advocates and ambassadors of the industry. My thanks to everyone for their support and trust in the work we are doing. I look forward to working with you all again over the next year.

## Future Outlook

TECNZ has not achieved all the goals we set from 1 April 2020. What we can say is that every effort has gone into our work.

TECNZ members are a powerhouse of international businesses that pre-COVID contribute towards \$17.5bn earnings in international receipts (export) to the national economy. Our members are good community citizens and invest in local conservation, biodiversity and education programs within their communities. Members are highly focused on sustainable initiatives and have been for three decades. Sustainability is not a new thing for our members. Quality is not a new thing for our members. Integrating manaakitanga and respecting tangata whenua and local tikanga (customs and traditions) in the delivery of visitor experiences is also not new. Many businesses have been engaged and recognize the intrinsic value of working with local Iwi and the benefit of creating positive community relationships.

Is there room for improvement? Always. The industry is constantly in a cycle of continuous improvement because that's what high performing businesses do.

## What does the future hold?

We still have a long way to go. TECNZ has prepared a NZ International Tourism Recovery Plan 2021-2025 as a roadmap for Government to consider with the reopening of the NZ border. It is based on a per market basis in a safe and well-managed way. If NZ achieves its vaccination goals and prospective visitors meet the Government's border entry requirements, we propose the US market to return in Q1 of 2022, China and Asian markets in Q2 and UK/Europe in Q3 of 2022. It will be interesting when we write the 2021-2022 Annual Report next year, to see if our crystal ball looks close to the mark or if there is another year of uncertainty.

Wishing you all well and thank you for your ongoing support. Ngā mihi nui



E tu kahikatea, hei wakapae uroroa  
Awhi mai, awhi atu, tatou, tatou e.  
Kahikatea stand together; their roots intertwine  
strengthening each other.  
We all help one another and together we will be strong..



# BOARD DIRECTORS

REPRESENTING  
TECNZ MEMBERS  
2020 - 2021



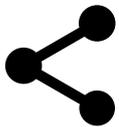
Back row left to right:

Geoff Yee, John Gregory, Zac Watson (YTEC Chairman), Brendan Davies, Adele Marsden, Tim Reid, Scott Mehrstens (ITO Vice Chairman), Loren Heaphy, Jake Downing, Mark Badland. Front row left to right: Wendy van Lieshout, Lynda Keene (TECNZ CEO), Anna Black (Chairman), Ben Thornton

## Life Members

Blair Sheehy, Keith Johnson, Michael Wiedemann., Peter Black, Peter Lowry,  
Russell White, Tony McQuilken, Warren Harford

## Benefits to Belonging to TECNZ



Connecting your products and services within the inbound tourism industry

An association that understands and advocates for inbound tourism



Shared industry communications and intelligence

Business networking and learning opportunities



Quality and sustainable world class practices

Membership to YoungTEC



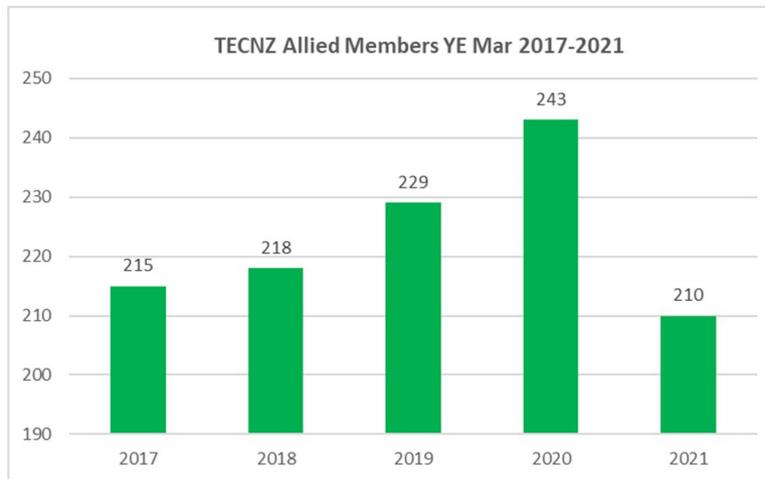
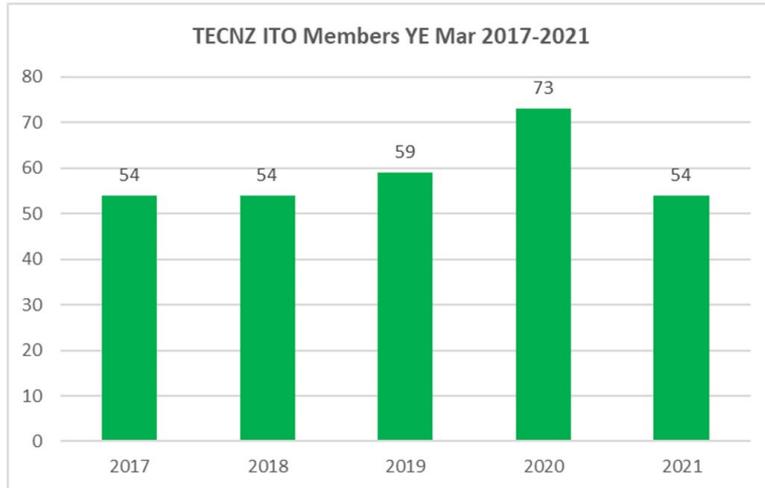
### OUR VISION

TO ACHIEVE SUSTAINABLE GROWTH IN  
EXPORT EARNINGS AND DELIVERY OF  
QUALITY TOURISM EXPERIENCES

### OUR MISSION

TO SUPPORT AND REPRESENT OUR  
MEMBERS FOR THE PURPOSE OF  
FACILITATING BUSINESS PARTNERSHIPS IN  
THE TOURISM EXPORT SECTOR

# MEMBER TRENDS



# YOUNGTEC REPORT

Zac Watson (Chair)

The Young Tourism Export Council (YoungTEC) Executive again attracted a high calibre of young industry professionals. As a subsidiary of TECNZ, YoungTEC's mission is to enhance the New Zealand tourism export industry by facilitating the development of our future industry leaders.

YoungTEC offers its members regular networking events, award recognitions, educational workshops and a nationally recognised Professional Development Programme (PDP).

After a 2019 where we had seen record attendance in almost everything we did, Covid19 certainly put a halt to that trajectory. The pandemic that swept through our loved visitor economy was no exception to our association of young professionals, many of whom had circumstances change with their employment and therefore their membership status. We were able to proactively mobilise from a focus of professional development into an association based on connection and communication which all started with a free membership for the year. This being said, we were able to implement a number of our annual events, as well as add some new initiatives that meant our ever-changing membership had a way to stay connected to the industry no matter their situation of employment.

Towards the end of the year, the third iteration of the highly sought-after Leadership Day (2020) in partnership with The IceHouse, was subscribed to with 23 attendees. It was an excellent example of our change in mandate with the overarching takeaway being focused on "Opportunity in Uncertainty". Alongside this, the lack of budget and mass gathering ability meant we slightly altered our usual "summit" type event, and instead put on a well-attended brunch for members with guest speakers and a chance to connect again after what had been a very turbulent year for most.

In closing, we'd like to extend our warmest thanks to our sponsors of key events and initiatives throughout 2020/21. These being the Hospitality Tourism Training Trust, The Icehouse, Go With Tourism, Tourism Talent and NZ School of Tourism. Our priority over the next 12 months will be of course the wellbeing of our members as the impact of COVID-19 continues to hit the middle management layer of the industry, but also to bring back as many of our initiatives for members as can do, when alert levels allow.

We wish everyone well as we continue to battle our ever-changing environment.

Zac Watson  
YoungTEC Chair 2020/21



# ITOC/TECNZ 50 YEARS OF BUSINESS



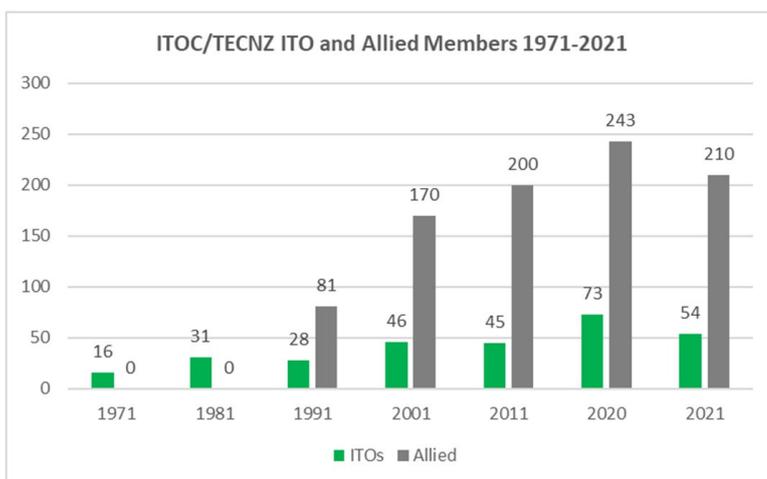
The Board and I are delighted to share with members a walk down memory lane as we reflect on the 50 years that ITOC, originally known as the Inbound Tour Wholesalers NZ (ITW) has had since 1971. When we think of the role technology has played over the decades and the way bookings were made by 'phone' and 'telex', it is quite remarkable in 2021 to see how connections with offshore wholesale and travel agents were ever made to have an effective and positive influence on the growth of international visitors to New Zealand.

Facsimile machines were the primary booking channel in the late 1980s and early 1990s. Although mobile phones first gathered momentum upon their release worldwide in the 1980s, it wasn't until the early 1990s that mobile phones in New Zealand began to ease the improvement and enablement of comms for ITOs and suppliers to confirm bookings. In the mid-1990s the BRICK mobile phone was the standard mode of communication for many Tour Leaders and Coach Drivers around the country.

In the first two decades from 1971-1991, the number of members of ITOC were predominately ITOs. Tourism supplier businesses named 'Allied' were invited to annual ITOC conferences, but it wasn't until 1991 that an official Allied membership was formed.

In 1995, Peter Lowry CEO of ITOC along with some of the pioneers of the industry, wrote a publication titled The First 25 Years of ITOC, Marketing New Zealand Overseas. In subsequent years, ITOC has celebrated a 30th, 40th and now a 50th Anniversary of the work its members have undertaken.

To honour the history of ITOC's role in driving the growth of international tourism in New Zealand from 1971-2021, TECNZ has created a new digital publication and video to highlight key aspects of its role over 50 years. On behalf of the Board, we look forward to sharing the publication with members, industry and Government at our 50th Anniversary Gala Dinner event on 4th August 2021. The new assets can be found on our website link under [About Us and History of TECNZ](#).



# FINANCIAL STATEMENTS

Summary Statement of Financial Performance: As at 31 March 2021

These financial statements were prepared prior to audit and are subject to change.  
Please contact us if you would like a copy of the audited financial statements.

	2021	2020	Inc-Dec %
<b>INCOME</b>			
Membership Fees	254,543	369,491	-31%
Conference and Symposium	20,325	242,519	-92%
Other Revenue	50,837	49,164	3%
Interest	2,964	10,251	-71%
<b>Total Income</b>	<b>328,669</b>	<b>671,425</b>	<b>-51%</b>
<b>EXPENDITURE</b>			
AGM/Meetings	26,761	24,374	10%
Employment Expenses	216,681	241,742	-10%
Legal and Accounting	9,999	17,883	-44%
PR and Communications	1,952	9,572	-80%
Office Expenses	27,951	30,979	-10%
Special Projects/YTEC	33,825	49,442	-32%
Subscriptions - TIA, Qualmark	33,351	66,539	-50%
Other Expenses	14,281	19,608	-27%
Conference/Symposium Expenses	26,036	152,984	-83%
<b>Total Expenses</b>	<b>390,837</b>	<b>613,123</b>	<b>-36%</b>
Net (Deficit)/Surplus before Tax	(62,168)	58,302	-207%
less income tax (refund)/expense	(3,257)	(2,006)	62%
<b>TOTAL SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(65,425)</b>	<b>56,296</b>	<b>-216%</b>
<b>STATEMENT OF MOVEMENT IN EQUITY</b>			
Total recognised INCOME	328,669	671,425	-51%
Total recognised EXPENSES	390,837	613,123	-36%
(Deficit)/Surplus for the Year	(65,425)	56,296	-216%
Equity at Beginning of the Year	328,561	272,264	21%
<b>TOTAL EQUITY (END OF YR)</b>	<b>263,136</b>	<b>328,561</b>	<b>-20%</b>
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>			
AS AT 31 MARCH 2021			
<b>CURRENT ASSETS</b>			
Bank Current and Call Accounts	122,216	171,205	-29%
Bank Term Deposits	153,180	151,459	1%
Accounts Receivable	2,638	0	-
Accrued Income and Prepayments	4,237	22,577	-81%
GST Receivable	3,235	5,335	-39%
	<b>285,506</b>	<b>350,576</b>	<b>-19%</b>
Non current Assets	13,457	1,026	1212%
<b>Total Assets</b>	<b>298,963</b>	<b>351,602</b>	<b>-15%</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	22,874	17,106	34%
Employee costs Payable	8,502	3,838	122%
Taxation Payable	4,450	2,098	112%
<b>Total Liabilities</b>	<b>35,826</b>	<b>23,042</b>	<b>55%</b>
<b>Net Assets</b>	<b>263,136</b>	<b>328,561</b>	<b>-20%</b>
<b>ACCUMULATED FUNDS</b>			
Equity at beginning of year	328,561	272,264	21%
Net (deficit)/surplus for the year	(65,425)	56,296	-216%
<b>Total Accumulated Funds</b>	<b>263,136</b>	<b>328,561</b>	<b>-20%</b>