

## Media Statement



# Softening in International Tourist Spend

**Wednesday 25 February 2009 – For immediate release**

Spending by international visitors fell by 3.2% to \$5.9 billion in the year to December 2008 according to data released today by the Ministry of Tourism.

“A reduction in overall tourism spend is in line with the performance of international visitor arrivals and reflects the challenging trading environment over the past year,” said Bruce Bassett, Ministry of Tourism Research Manager.

“The international economic position is difficult and has clearly impacted on tourism; although it is reassuring that the impact has not been greater.

Many of our key markets have maintained significant spending contributions over the year, with some increasing - Australia (down 1.2%), Germany (down 2.7%), China (down 2.8%), Canada (up 21%) and Japan (up 0.1%). Against this, there has been a marked weakness in some of the Asian markets, with South Korea and Taiwan down 22.3% and 34.1% respectively.

“The important UK and US markets were down by 6.8% and 7.5% respectively, but together still contributed \$1.5 billion to the New Zealand economy.”

The suite of sector indicators all show a consistent picture of the 2008 year that was impacted early on by high oil costs and unfavourable exchange rates, and latterly by the Global Financial Crisis. The other main indicators for 2008 are: international visitor arrivals (down 0.3%), New Zealand outbound travel (down 0.7%) and commercial accommodation nights (down 0.05%).

For further information on the release of International Visitor Survey data please visit the Ministry of Tourism research website ([www.tourismresearch.govt.nz/ivs](http://www.tourismresearch.govt.nz/ivs)) or contact Bruce Bassett – telephone (04) 498 7448 or email [bruce.bassett@tourism.govt.nz](mailto:bruce.bassett@tourism.govt.nz).

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# Supplementary Data Sheet

IVS year ended December 2008 (prepared by the Ministry of Tourism)

**Table 1: International Visitor Spend by Key Markets for year ended December 2008 (in \$NZm)**

Top 10 Markets	2004	2005	2006	2007	2008	2008/2007 Change	2008/2007 % Change
Australia	1,367	1,360	1,434	1,610	1,591	-19	-1.2%
UK	870	1,019	906	979	912	-67	-6.8%
USA	633	563	655	667	617	-50	-7.5%
China	318	239	264	273	265	-8	-2.8%
Japan	559	477	412	419	419	0	0.1%
Korea	242	218	250	257	200	-57	-22.3%
Germany	196	220	266	246	239	-7	-2.7%
Canada	122	104	133	116	141	24	21.0%
Taiwan	64	83	95	73	48	-25	-34.1%
Singapore	63	55	56	61	65	4	5.8%
Other	1,290	1,231	1,440	1,446	1,450	4	0.3%
<b>Total Spend</b>	<b>5,723</b>	<b>5,569</b>	<b>5,911</b>	<b>6,147</b>	<b>5,947</b>	<b>-200</b>	<b>-3.2%</b>

**Table 2: International Visitor Spend by Purpose of Visit for year ended December 2008 (in \$NZm)**

Purpose	2004	2005	2006	2007	2008	2008/2007 Change	2008/2007 % Change
Holiday	3,053	3,199	3,377	3,304	3,263	-41	-1.2%
VFR*	1,142	991	1,101	1,224	1,189	-35	-2.9%
Business	592	684	656	794	808	14	1.8%
Education	565	385	473	507	378	-129	-25.4%
Other	371	310	305	317	309	-8	-2.6%
<b>Total Spend</b>	<b>5,723</b>	<b>5,569</b>	<b>5,911</b>	<b>6,147</b>	<b>5,947</b>	<b>-200</b>	<b>-3.2%</b>

\*VFR Visiting Friends and Relatives