



The role of Tourism in the recovery of the City

Monday 24th June 2013

at
Function Room, Level 1
Christchurch City Council
53 Hereford Street

Doors open from 5.30 pm

Presentation starting at 6 pm from

David Simmons
Lincoln University

Entry fee – \$2

Sponsored by Planz Consultants



Please RSVP to
Canterbury.westland@planning.org.nz
by Friday 21st June



**With thanks to Christchurch
Canterbury Tourism**

Agenda

- Comment on role of tourism in Christchurch (CHC) economy
- A note on nature/scope of tourism planning
- The earthquake
- Slow road to recovery
- A new vision

Tourism in CHC economy – pre EQ

- 2.3 billion dollar industry
- 12 percent of regional employment
- Reasonable multipliers: ChC 1.98; Kaikoura 1.38; Akaroa 1.15 – belie cross sectoral spread
- 825,000 international visitors to year end March 2010
- Clear links between local amenity, recreation, hospitality and urban re-generation

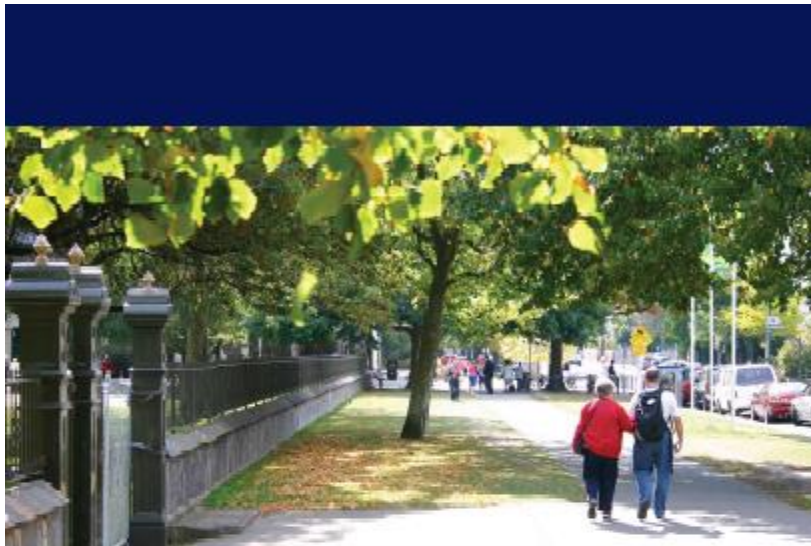
Core rationales for tourism planning

- Integration of public and private sectors
- Market failures
 - Externalities : unpriced inputs or outputs
 - Management of impacts
 - Merit Goods (goods everyone wants but no one entity can pay for)
- Community consultation *and* development
- Integration of demand – supply; market – product (*Iterative*)

Local Govt role = enablement and management!

Significance of amenity

Table 1: What Did You Like Most About Christchurch?		
Base No: 548 visitors	% of Respondents	Number of Respondents
Attribute		
City environment – streetscape, landscape, parks and gardens	41	237
Friendly atmosphere and people	28	154
Weather/climate	13	73
Buildings and architecture	8	41
Uncrowded and relaxing	7	39
Cleanliness of the city	7	37
Ease of getting around	6	32



Christchurch Visitor Strategy

2007-2017



Core consultations (8)

Hospitality & accommodation, activities & attractions, infrastructure & transport, conference & incentive, events, inbound operators, North Canterbury Districts, South Canterbury Districts



When it happened it was not the Alpine Fault

**12:51PM
22 FEBRUARY 2011**



Our Tourism Reality

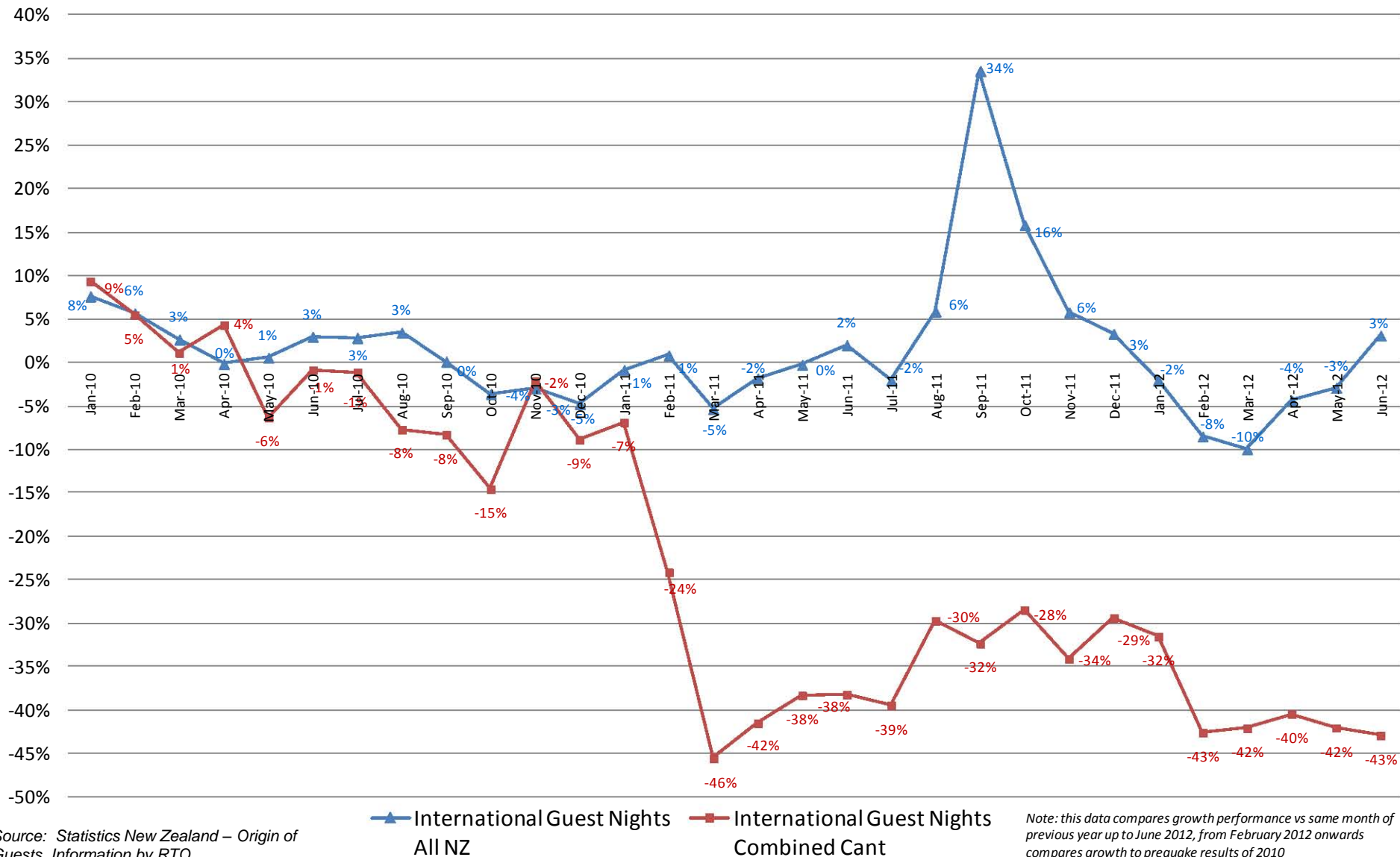


“ There is no event since World War II that has disrupted our tourism industry by so much and for so long.”



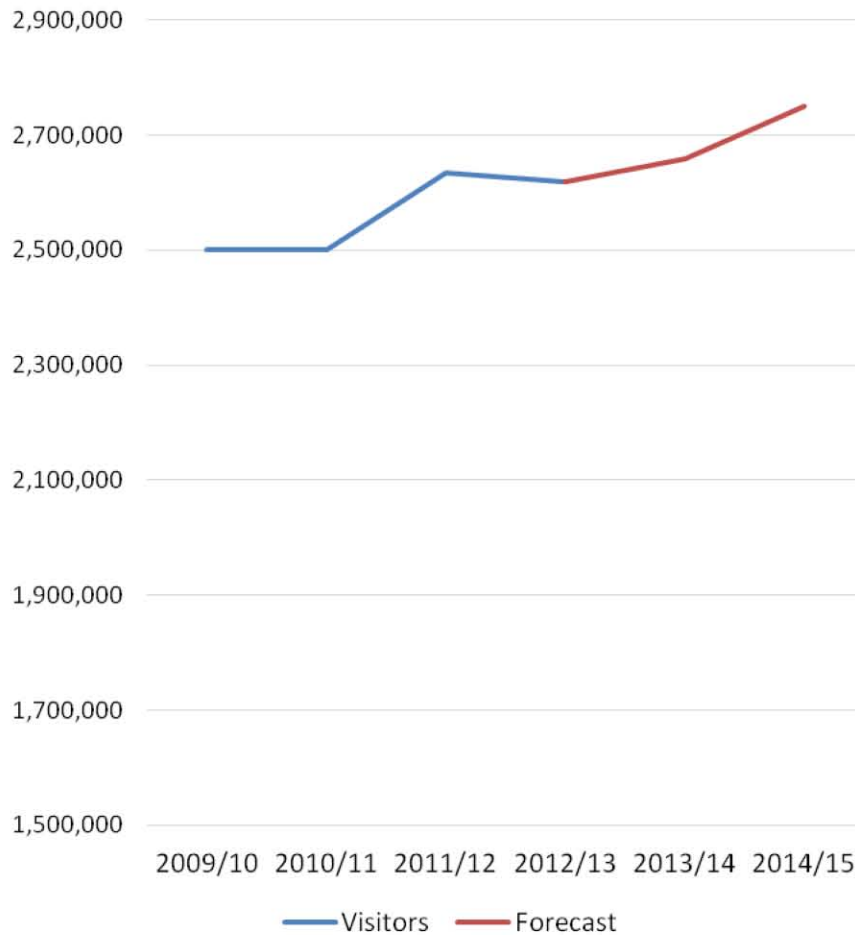
International Guest Nights

International Guest Nights All NZ vs Canterbury

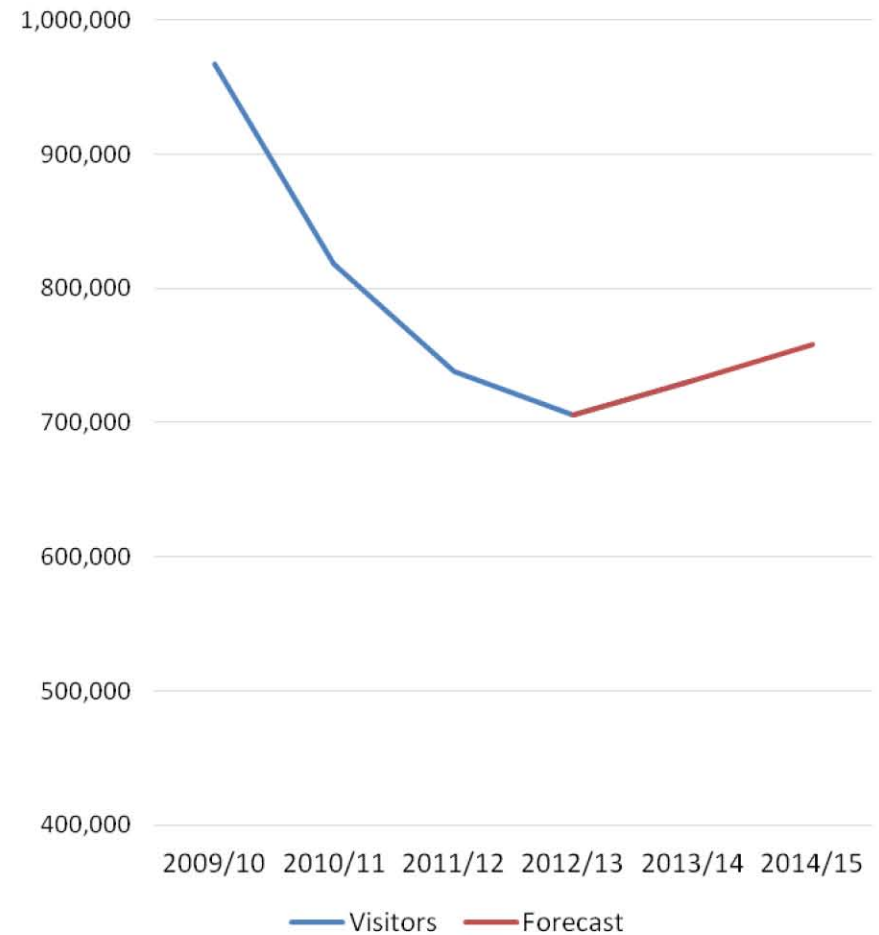


The Basics – International Visitors

Intl Visitors to NZ

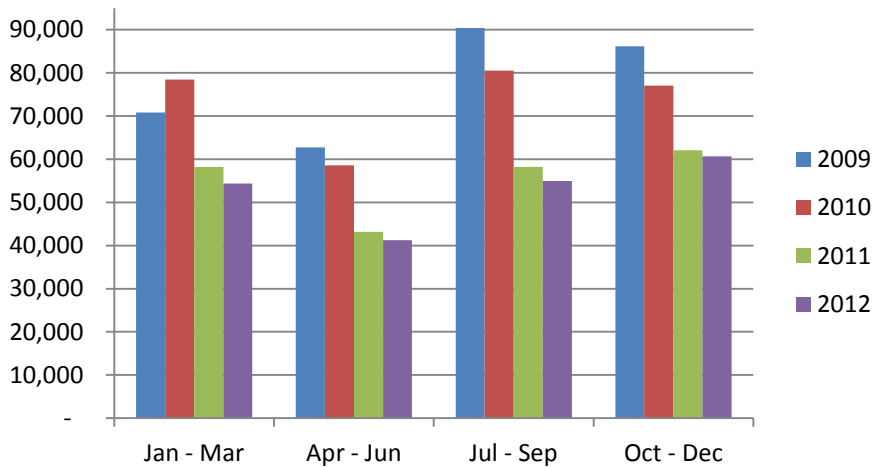


Intl Visitors to Canterbury

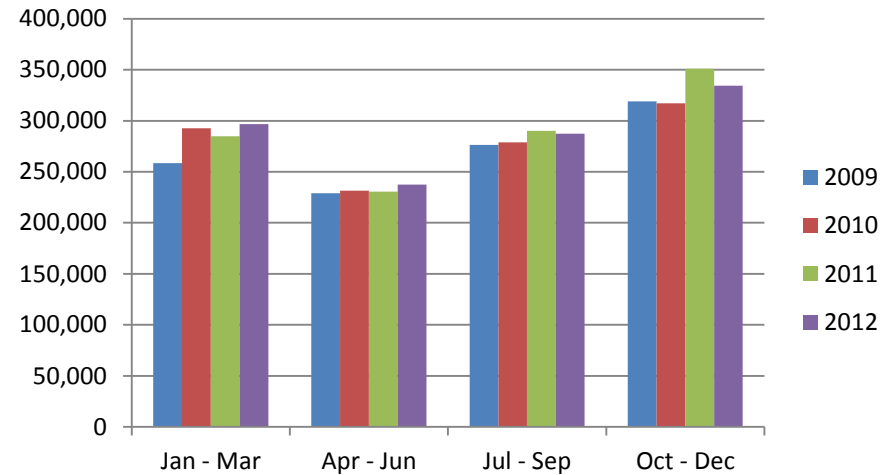


Visitor Trends - International

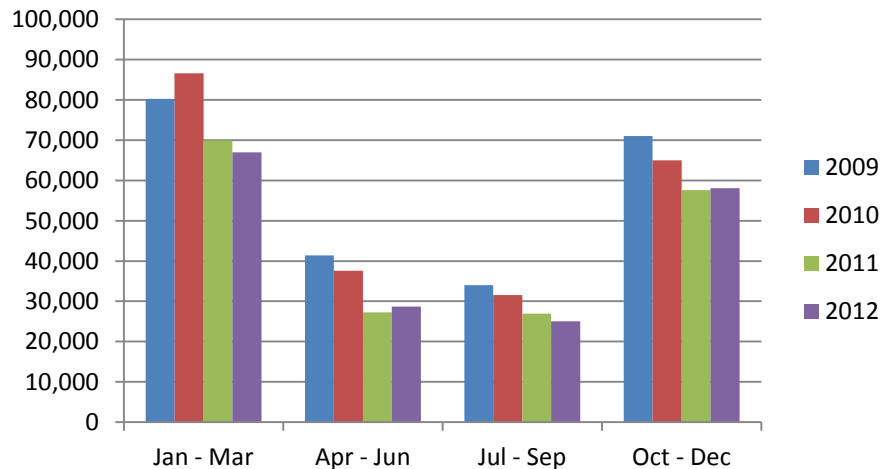
Tasman Arrivals into Christchurch



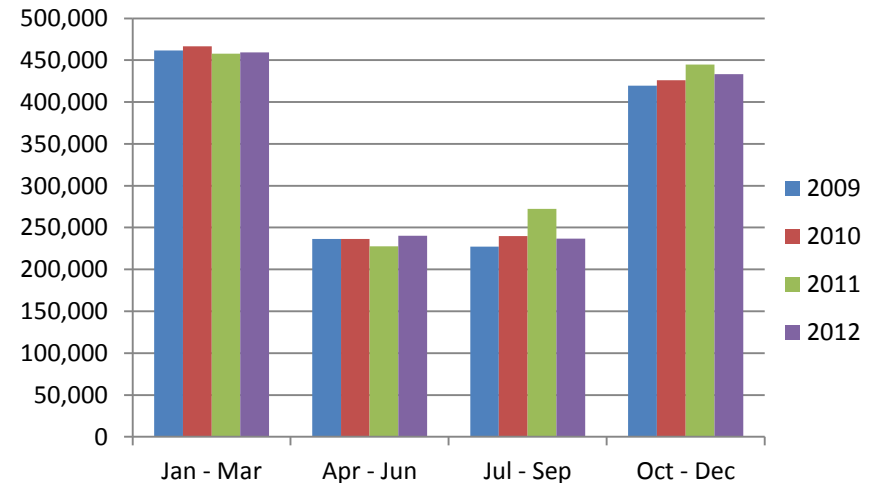
Tasman Arrivals into New Zealand



Long haul Arrivals into Christchurch (without Malaysia)



Long Haul Arrivals into New Zealand (without Malaysia)



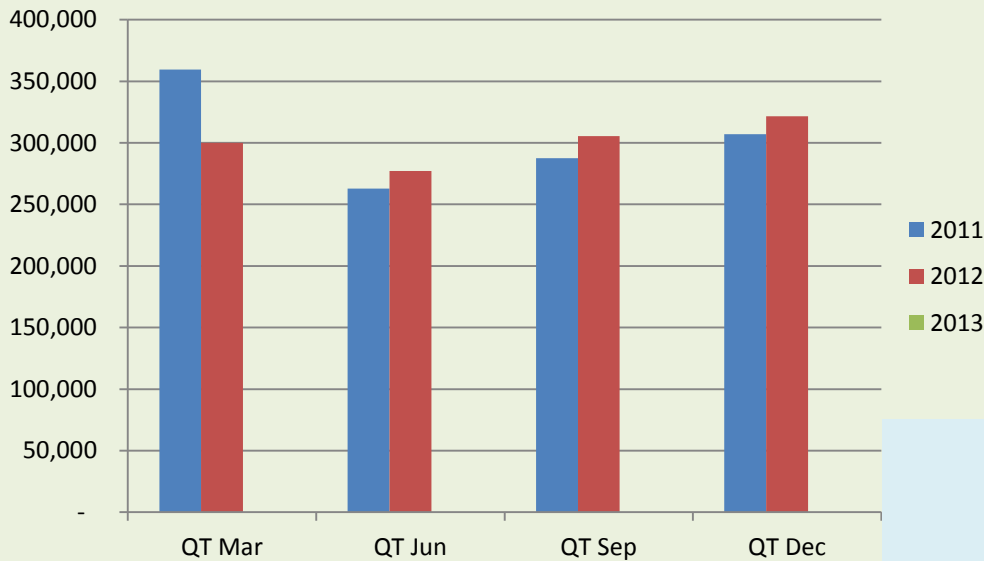
Our largest visitor market – Australia – is proving the hardest to recover

- The Australian holiday market into Christchurch has fallen 46% since 2010
- The economic loss to the South Island exceeds \$174 million pa

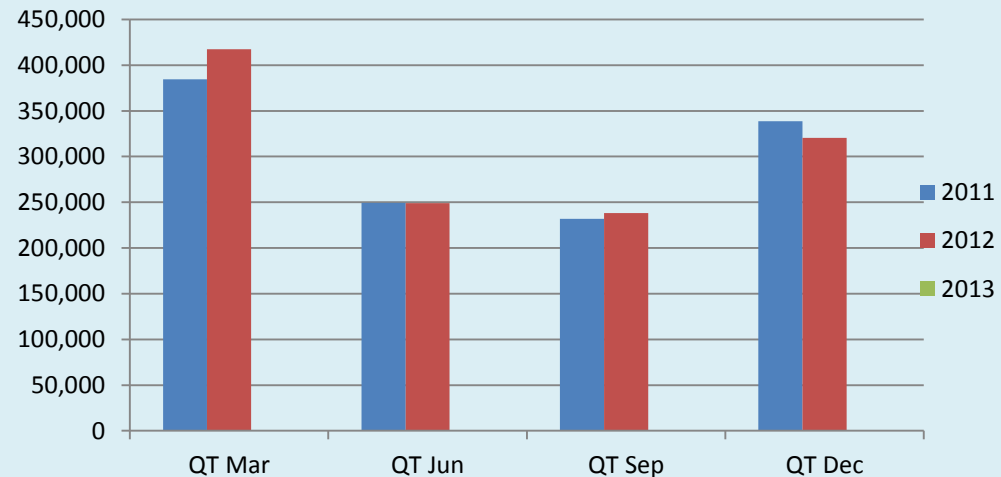


Visitor Trends - Domestic

**Christchurch City Domestic Guest Nights
2011-2013**



**Combined Canterbury Domestic Guest Nights 2011-
2013 (less Christchurch)**



The Damage to our Destination

- Physical
- Reputational
- Developmental

The Physical Damage

- The City was severely compromised in a functional sense for the first 1-2 months
- 43% of our commercial accommodation has gone
- Cathedral, Square, Arts Centre and Tram still closed
- 40% of the city's restaurants were in the CBD area that is now 70% demolished
- Sports grounds, swimming pools and stadia have suffered significant damage
- 30,000 homes beyond repair and 90,000 requiring repair

Reputation Damage

THE PRESS

stuff.co.nz

Christchurch Earthquake

February 22, 2011

Stuff Home

The Press

News

Christchurch Earthquake 2011

12.51

February 22: Your Stories

City Blueprint

Quake Science

Our Rebuild: Your Views

Blog: Where there's a Will

Zone 1

'Over the top' Aussies liken Chch to Iran

RACHEL YOUNG AND ANNA TURNER

Last updated 05:00 06/07/2012

90 17 6 +1 Share

Christchurch Earthquake 2011

- Brownlee cut payout for owners
- Classy glass a perfect project for reborn recycler
- Asbestos delays BNZ demolition
- I told you so, says Brownlee on rockfall
- Cathedrals debate reaches Vatican City

What do East Timor, Rwanda, Iran, Gabon, Christchurch and Lyttelton have in common?

They are all places, the Australian Government says, where travellers should "exercise a high degree of caution".

In the rest of New Zealand, Australians are told to "exercise normal safety precautions".

FREE DAY ON

The Press He

- Council closes
- Dogs seized aft
- Quake-hit fami
- Alleged 'groper'
- Design competi
- Robyn Malcolm
- Call for twisted
- Man admits ste
- Fire risk halts a
- Demolition to st



2011 was year when our communications needed to be focused on “myth-busting” !

The Four Common Myths

1. The whole city is destroyed.
2. Aftershocks could harm me.
3. There is no accommodation.
4. There will be nothing to do.

Still the glorious Garden City



Classic Day Trips



Every physical symbol of progress has been important



New Visitor Information Centre
in Botanic Gardens (Nov 2011)



Restart Container Mall has been
A winner with visitors



New Court Theatre (Nov 2011)



New Airport Terminal Building
opened in May 2011



New Rugby Stadium (March 2012)

Hotels opening in next 12 months



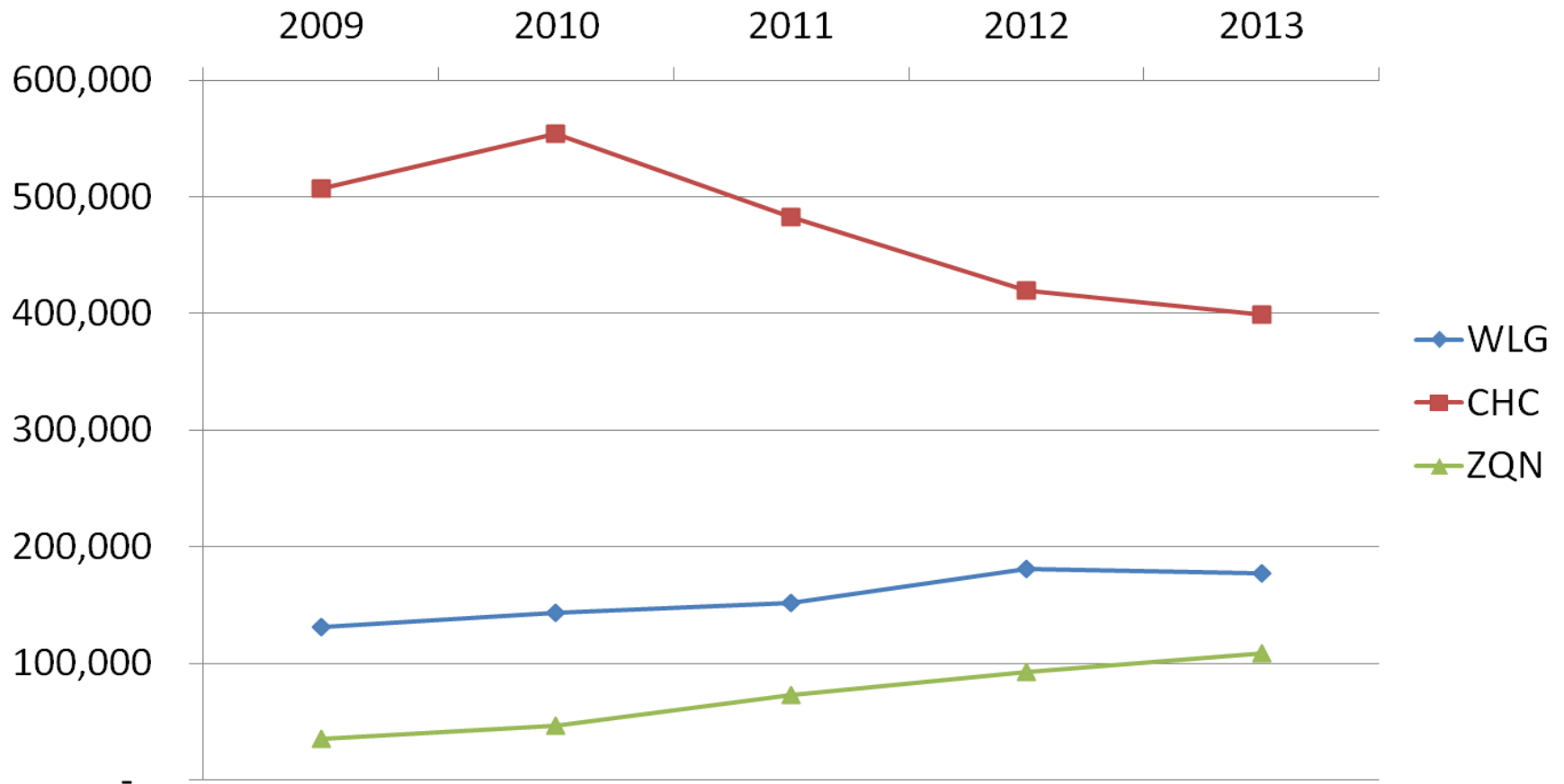
Trans Tasman Air Routes to CHC

- back to 2004 levels of air capacity

Route	Capacity (Seats) 2013	Variance to Last Year	Variance to pre EQ in 2010
SYD-CHC	357,500	+4%	-12%
MEL-CHC	154,200	+1%	-20%
BNE-CHC	126,900	-9%	-41%
OOL-CHC	44,200	+1%	+44%
All Routes	682,900	+1%	-20%

International Visitor Arrival Trends – New Zealand Airports

(our main competitors)



Source: IVS - YE March 2013

Commercial Accommodation Shortage is the sector's #1 recovery constraint

- Beds R ... (not quite) Us !
- Not enough beds in Christchurch during in peak periods
- Turning regular group tours away
- Loss of conferences has been substantial
- Jan-Mar 2013 was been a particularly difficult period
- The problem is most dire in the backpacker sector



Overall Accommodation Situation in Christchurch

Category of Accommodation	Rooms Pre Earthquakes	Rooms Now	Variance to pre EQ	No of Properties (now)
Hotels	4,223	1516	-64%	16
Motels	1,805	1,845	+2%	119
Backpackers	770	404	-48%	24
B & B's	338	280	-18%	103
Holiday Parks	384	384	Nil Change	10
Apartments & Lodges	289	192	-44%	11
All Accommodation	7,809	4,621	-41%	283

Lack of confidence in accommodation investors remains a significant challenge

- Investors put off by state of the city
- No clear timeline for rebuild of CBD
- Land prices, building costs and insurance have escalated
- The rate of tourism recovery is not well defined or certain
- Many existing hotels are not being repaired
- Prolonged delay in confirming the Convention Centre project leaves investors in doubt
- Existing hoteliers in Christchurch already claiming that there is over-capacity

The shape of recovery



- It will be slow
- Independent travellers will return first
- Long haul markets will lead the recovery
- Speed of recovery = f (supply factors)
= more beds + air seats
- Best possibilities for growth will be outside of the high season

More Marketing Opportunities ... than last year

- Open up the Western Australian holiday market with the aid of direct flights Perth-Christchurch
- The strongest recovery in leisure travel will be driven from Asia
- Important to rectify the misinformation about Christchurch on international travel sites
- Conferencing opportunities will improve as 4 more hotels re-open in Christchurch in 2013
- China and Indian markets!

PER - CHC from Dec 2013



Anchor Projects

The (CCDU) Christchurch Central Recovery Plan, July, 2012, acknowledged that tourism was central to the city's redevelopment.

Among the 17 anchor projects it detailed are:

- A new convention centre (incorporating options for two hotels)
- A new sport complex linked by open space to the retail sector
- A New rugby/concert stadium
- A cultural performance precinct with a new cultural centre
- A green “frame” for a compressed city centre

CBD Frame

- Framing of the new CBD widely acclaimed incl “Papa O Otakaro/Avon River Precinct”, intended to make the river a central visual focus to the north and west, with a ‘green frame’ on the east and south.
- Together, these lock together a central amenity frame, which along with the designated precincts (convention and performing arts, innovation and health), provide the skeleton for an amenity-rich ‘destination’.
- However, debate continues about how best to integrate a hospitality precinct, including cafés, bars, restaurants and night-clubs, within a denser commercial and residential central business district.

A photograph of a beach with waves crashing onto the shore. The sky is a clear, deep blue. The water is a dark greenish-blue, and the waves are white with foam. The sand is dark and wet, with some white foam from the waves. The text is overlaid on the image.

*‘ Attractions are the grains of sand around
which the destination ‘pearl’ grows’*

- John Swarbrooke – The Development and Management of Visitor Attractions

Attractions

Table 2: Earthquake Impact on Visitor Attractions

Attraction	Visitor Engagement %	Current Situation	Future Situation
Cathedral Square	80%	Closed	Major demolitions to take place
Shopping	71%	Retail severely reduced	Dependent on Central City rebuild
Botanic Gardens	67%	Operating	New visitor centre
Arts Centre	66%	Closed	Unlikely to open for many years
Chch Cathedral	47%	Closed	Uncertain future on current site
Canterbury Museum	39%	Re-opened	
Christchurch Tram	30%	Closed	Dependent on opening of central city
Antarctic Centre	28%	Open	Open
Chch Gondola	24%	Open	Re-opened 2012
Punting on Avon	17%	Operating	Operating
Orana Park		Operating	Operating
Air Force Museum		Operating	Operating
Willowbank		Operating	Operating
Chch Art Gallery	-	Closed	Dependent on completion of repairs (2013)



- ☐ Provide a growth path for visitor arrivals
- ☐ Enhance the range and quality of Christchurch attractions
- ☐ Provide a central city focus for visitors following the earthquakes
- ☐ Provide a Christchurch icon attraction to influence visitor decision making
- ☐ Provide iconic buildings that influence visitor decision making
- ☐ Provide reasons for increased direct Christchurch flights

Conversation starters



A new world class attraction.. ?
... discussions well under way

Local Govt Act : and tourism planning :
LTCCP > wellbeing or.... Back to the past