


1 

UK, NZ second largest tourism market (and largest long haul market), is facing its worst financial crisis in more than a century, surpassing the Great Depression of the 1930s.

2 

Japan, NZ's 5th most important market. Before we get too excited about the appreciation of the Japanese Yen and a resurgence of this market for NZ, news that Asia largest economy is shrinking rapidly by about 13% per annum.

3 

NZ Govt's \$480 stimulus package for small and medium enterprises (SMEs) is good news for tourism businesses. Changes effective from 1st April 2009 include

- Lower provisional tax payments
- Lower penalty rates (by 4.5%) for tax underpayments
- Higher GST-registration threshold (from \$40,000 to \$60,000) business turnover.

4 

Capital equity raising by Qantas.

5 

Changes to Qantas Group Trans-Tasman services:

- Qantas will cease operating its New Zealand domestic services from June.
- These services will be operated by Jetstar, Aussie budget airline which will cover Auckland, Wellington, Christchurch and Queenstown but not Rotorua.
- Hamilton might be in Jetstar radar as Air NZ gears up for Jetstar battle.

6 

Some but few success stories in the global economic downturn:

- online travel agent Webjet,
  - online accommodation booking business Wotif.com Holdings
  - P&O Cruises
- are experiencing growth.

7 

Hospitality industry - fewer people are eating out at restaurants while queues at fast food chains are growing.

8 

If NZ and India free trade talk gets the green light, this is also good news for international tourism. Few countries have free trade deals with India and access to the lucrative Indian market.

