

To: Department of Internal Affairs

BYATA's Submission on Simplifying Local Government

Submitted by: Backpacker Youth and Adventure Travel Association (BYATA)

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BYATA welcomes the opportunity to provide feedback to the Department of Internal Affairs on the *Simplifying Local Government* proposal.

While the consultation document does not explicitly reference tourism, economic development or business growth, local government and the visitor economy are intrinsically connected. Councils own and invest in much of the infrastructure that enables tourism. This includes transport networks, public amenities, venues, attractions and destination marketing through Regional Tourism Organisations (RTOs). These investments attract visitors, stimulate regional economies, support employment and broaden local revenue streams.

Tourism is New Zealand's second largest export earner, contributing 17.2% of exports, \$17 billion to GDP, and supporting over 10% of national employment. For many regions, domestic tourism is equally vital.

Given this economic significance, reforms must carefully consider the role local government plays in enabling tourism outcomes.

The risk of Excluding Tourism

Tourism is a cross-boundary, multi-sector activity requiring coordinated regional leadership. Excluding tourism from core service discussions risks weakening the strategic alignment and investment necessary to sustain regional growth.

Youth and backpacker travellers — the primary market represented by BYATA — are among New Zealand's most geographically dispersed visitors. Approximately 50% visit four or more regions, while 23% travel to seven or more. This dispersal spreads visitor expenditure beyond gateway centres into provincial communities that may otherwise have limited access to international markets.

Reducing tourism's strategic visibility within local government functions would constrain visitor spend, limit job creation, and disproportionately impact smaller regions that benefit most from these active visitor segments. It may also erode tourism's social licence at a place-based level if growth is not supported by coordinated planning and investment.

Recognising tourism as an enabling economic activity, even if not formally defined as a core service, would help ensure reforms do not inadvertently undermine the regional prosperity they seek to strengthen.

Alignment with Government Direction

The Government's forthcoming Tourism Growth Roadmap, alongside ambitions to significantly grow tourism export value, signals a clear national priority which has attracted bipartisan and Industry support. Local

government reform should be considered alongside these objectives to ensure policy alignment and maximise economic opportunity.

Destination Management Plans, now established across 30 regions, already provide a framework for balancing visitor growth with community wellbeing. Reform presents an opportunity to further strengthen, not fragment, this coordinated approach.

BYATA supports the related submissions of Regional Tourism New Zealand, Economic Development New Zealand, Tourism Industry Aotearoa, and Hospitality New Zealand.

Who We Are

The Backpacker Youth Adventure Travel Association represents over 120 tourism businesses that rely on international youth travellers aged 18–35.

BYATA advocates, collaborates, and communicates on behalf of the youth travel sector to ensure its long-term sustainability and contribution to New Zealand’s economy. Youth travellers are “customers for life,” often returning as higher-value visitors and contributing across the four capitals — economic, social, cultural, and environmental.

As an independent industry voice, BYATA is focused on defining and advocating the true value of youth travel and ensuring New Zealand remains globally competitive in attracting this highly active market.

Please contact Haydn Marriner, BYATA Chair for further information with regards this submission on 0272454861 or info@byata.org.nz

BYATA’s Position on Reform

Byata supports reforms that:

- Improve efficiency and reduce duplication.
- Provide clear regional leadership.
- Maintain strong local voice and accountability.
- Uphold Treaty obligations and strengthen iwi/Māori partnerships.
- Consider the Government’s Tourism Growth Roadmap
- Unlock greater economic and social wellbeing outcomes

However, we urge careful consideration of tourism’s exclusion from the definition of core services. Without appropriate strategic recognition, there is a risk that place-based pressures associated with visitor activity, including freedom camping and high-volume travel, may not be effectively planned for or managed. Over time, this could weaken community support for tourism and erode its social license.

Key Recommendations

1. Combined Territories Board (CTB) Model

BYATA supports the CTB model where it streamlines governance while retaining meaningful local representation.

As RTOs are often funded via a mix of councils, boundary changes must consider their operational footprint. Voting structures should also ensure smaller, tourism dependant communities retain an effective voice, recognising that popular visitor destinations often face different infrastructure pressures than larger metropolitan centres.

2. Regional Reorganisation Plans

Tourism should be explicitly recognised as a strategic sector within statutory criteria for Regional Reorganisation Plans.

These plans will likely influence the future role and funding of RTOs and Economic Development Agencies (EDA). If functions are restructured, legislation must ensure their economic development role does not fall into a delivery gap.

Plans should:

- Integrate Destination Management Plans
- Support visitor dispersal
- Prioritise infrastructure investment
- Align with national tourism growth objectives

3. Crown Role

BYATA prefers a CTB model without majority Crown control. Crown involvement should be advisory, to maintain local accountability and responsiveness.

4. Te Tiriti o Waitangi and Māori Engagement

BYATA supports strengthening iwi/Māori partnership in regional governance and encourages the integration of Māori tourism development opportunities.

5. Implementation and Resourcing

Clear timelines and adequate resourcing will be essential for effective engagement with tourism stakeholders.

Existing mechanisms, particularly RTOs provide a ready platform for structured collaboration and should be leveraged accordingly.

Supplementary Recommendation: Economic Development

BYATA recommends prescribing **economic development as a core non-discretionary function** within local government legislation.

RTOs and EDAs currently deliver this function. Should reforms alter their role, a clear statutory mechanism must ensure continuity of delivery.

Conclusion

BYATA encourages the Department of Internal Affairs to explicitly recognise tourism within the Simplifying Local Government reform process.

A joined-up approach that aligns local government reform with the Government's tourism ambitions will better position regions to stimulate demand, support employment, strengthen communities, and deliver sustainable economic growth.

Failure to consider tourism within the context of reform risks creating unmanaged place-based pressures associated with visitor activity — such as overcrowding, transport strain, and freedom camping — which can weaken community support and erode tourism's social licence. This may ultimately constrain regional prosperity, particularly for communities that rely on highly dispersed visitor markets such as youth travellers.

BYATA welcomes ongoing engagement and would value the opportunity to speak to this submission. For further information, please contact: 0272454861 or info@byata.org.nz



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