

13 August 2018

Sarah Baddeley  
Martin Jenkins  
Level 1, City Chambers  
Cnr Johnston and Featherston Streets  
Wellington 6011

Hi Sarah

**Re: State Services Commission Inquiry into the Use of External Security Consultants**

We are responding to Doug Martin's letter of 23 July 2018 addressed to State Sector Agency Chief Executives.

Tourism New Zealand has undertaken a thorough review of its financial records for any interaction with external security consultants over the past ten years and can advise that:

- We have had no interactions with Thompson and Clark Investigations Limited or its associated entities.
- We have a relationship with another provider, The Investigators New Zealand Limited (2501049), which falls within the definition outlined in your letter, as detailed below.
- In our view none of these interactions give cause for concern.
- We believe that our use of The Investigators New Zealand Limited is appropriate, well managed and there are appropriate controls and oversight in place.
- We consider that our interactions and relationship with The Investigators New Zealand Limited is consistent with the professional expectations of the public service as expressed in the Code of Conduct for the State Services.

Our relationship with The Investigators New Zealand Limited involves contracting their services in support of the work Tourism New Zealand's China Market Development Unit undertakes to monitor the Approved Destination Status (ADS) programme.

ADS is an arrangement between the Chinese Government and another country, that lets Chinese holiday travellers visit a country in a tour group. New Zealand gained ADS in 1999. ADS gives Tourism New Zealand permission to promote New Zealand as a holiday destination in China. Tourism New Zealand's China Market Development Unit monitors ADS approved inbound operators and tour guides, helping make sure that Chinese visitors to New Zealand have a quality visitor experience. Inbound tour operators and tour guides must receive ADS approval from the China Market Development Unit before they can run ADS tours to New Zealand.

To help maintain high standards for group touring visitors from China on ADS tours, an ADS Code of Conduct (the 'Code') was introduced on 1 November 2007. The Code of Conduct sets out procedures and standards that ADS approved inbound tour operators and tour guides need to comply with to make sure that Chinese visitors have a quality experience in New Zealand. This helps New Zealand increase the number of tourists coming here and improve the economic outcomes for New Zealand from this market.

Tourism New Zealand's China Market Development Unit is responsible for administering the ADS Code. This involves:

- approving New Zealand-based tour operators and tour guides to work within the China ADS system.
- monitoring their conduct, compliance, performance and quality standards in line with the ADS Code.
- monitoring compliance on the part of ADS approved inbound tour operators and tour guides with Tourism New Zealand requirements.
- handling complaints and feedback from ADS Chinese group tour visitors to New Zealand.

Section 9 of the ADS Code of Conduct outlines Tourism New Zealand's powers in administering the Code (refer Appendix 1).

One of the ways in which we monitor compliance is by undertaking 'spot checks' of ADS tours, as specifically outlined in section 9.1 (a) (b) of the Code, and we frequently contract The Investigators New Zealand Limited to manage this work.

Employees of The Investigators New Zealand Limited approach tour guides and drivers of Chinese group tours at popular known locations and identify themselves as working on behalf of Tourism New Zealand. Tourism New Zealand provides photographic identity cards to validate their status. If the tour is identified as being part of the ADS programme the employee will seek information from the tour guide to ensure that the tour operator is complying with the Code. A report is then forwarded to Tourism New Zealand who follow up any potential breaches of the Code.

Further information on the work of our China Market Development Unit and the full text of the Code can be found at <https://www.tourismnewzealand.com/tools-for-your-business/china-market-development/>

Kind regards

**Stephen England-Hall**  
Chief Executive Officer

*See Appendix 1 below*

Appendix 1, ADS Code of Conduct extract

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**9 ADMINISTRATION**

**TNZ's Powers**

9.1 **TNZ** will have the following powers for the purposes of administering the **Code** and checking or verifying that an **ADS approved tour guide** is conducting an **ADS tour**:

- a to intercept an **ADS tour** group at any point while the group is on the **ADS tour** in New Zealand and:
  - i to interview and question the **tour guide** conducting the **ADS tour**, and
  - ii (as required) to take photographs of any of the following: **New Zealand ground components, tour guide, driver, or tour leader**;
  - iii to request from, and be immediately supplied by, the **tour guide** conducting the **ADS tour**, and/or the driver and the **tour leader**, the **itinerary, ADS Approval ID Card**.
- b to arrange for the tour route followed and places visited by an **ADS tour** to be observed and reported on by **TNZ** or any other person.
- c to share information relating to an **ADS approved ITO** and/or to **ADS tours** and/or to **ADS approved tour guides** with:
  - i ministers of the crown and other government agencies in New Zealand;
  - ii **CNTA** and other government agencies in China; and
  - iii government agencies in countries other than New Zealand and China;
  - iv **Qualmark** (or any other tourism quality agency)

where **TNZ** believes that the sharing of information is necessary or desirable in order to assist in the administration or enforcement of the **Code** or of the laws or other standards administered and enforced by those other agencies in New Zealand, China or other countries; and

- d to impose and amend fees and other charges for applications for **ADS approval**, holding an **ADS approval**, renewal of an **ADS approval**, and otherwise for the administration or enforcement of the **Code**.