



# SURVEY

## Member feedback on coronavirus impact

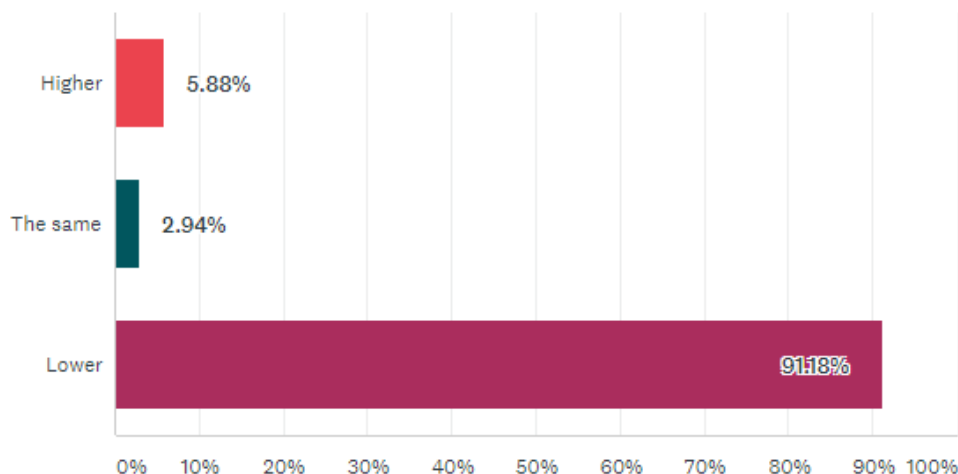
26 MARCH 2020

restaurant  
association  
of new zealand

Several previous surveys of Restaurant Association members have already shown the impact that COVID-19 has had on the hospitality industry. Two weeks ago, well before New Zealand had been raised to Level 4 alert, 67 per cent of members said they had noticed a downturn in customers. Things have changed significantly now, with all hospitality businesses now closed for at least 4 weeks and members grappling with the implications of the temporary close down for their businesses.

Q1. During the period from March 1 to March 24, was the total dollar sales volume higher, lower or about the same for your business as it was during the March 1 - March 24 period in 2019?

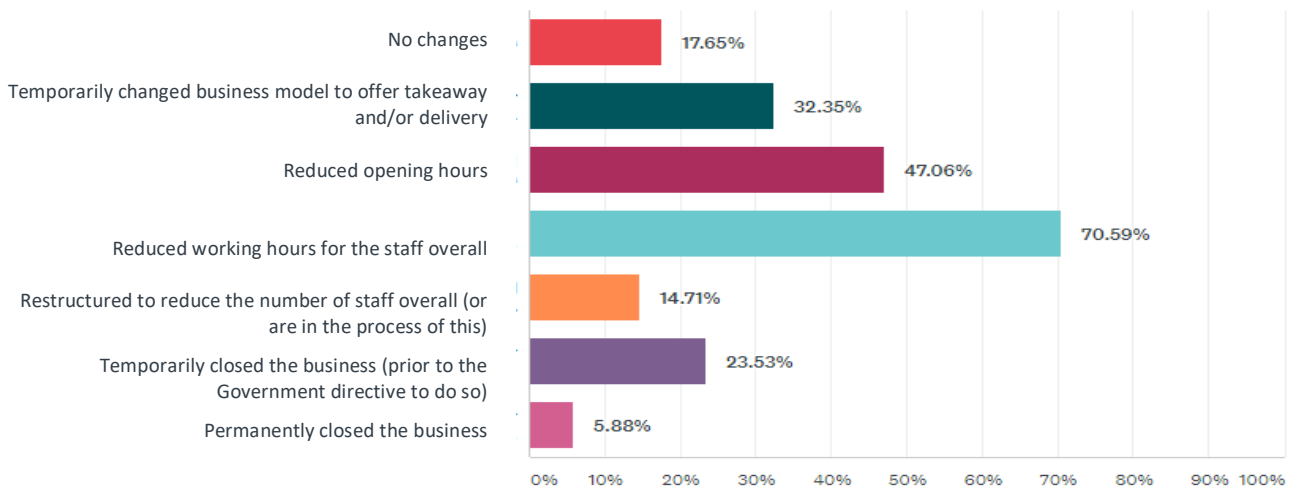
National average for Lower = 85%



If you indicated sales were higher, or, lower, please estimate by what percentage?

Overall, of those that indicated sales were lower, the average was 36% lower (National average was 38% lower). However, many noted that it had further dropped dramatically in the past week (before the requirement to close).

Q2 During the period from 1 March 1 to 24 March, did you take any of the following actions? (please check all that apply)



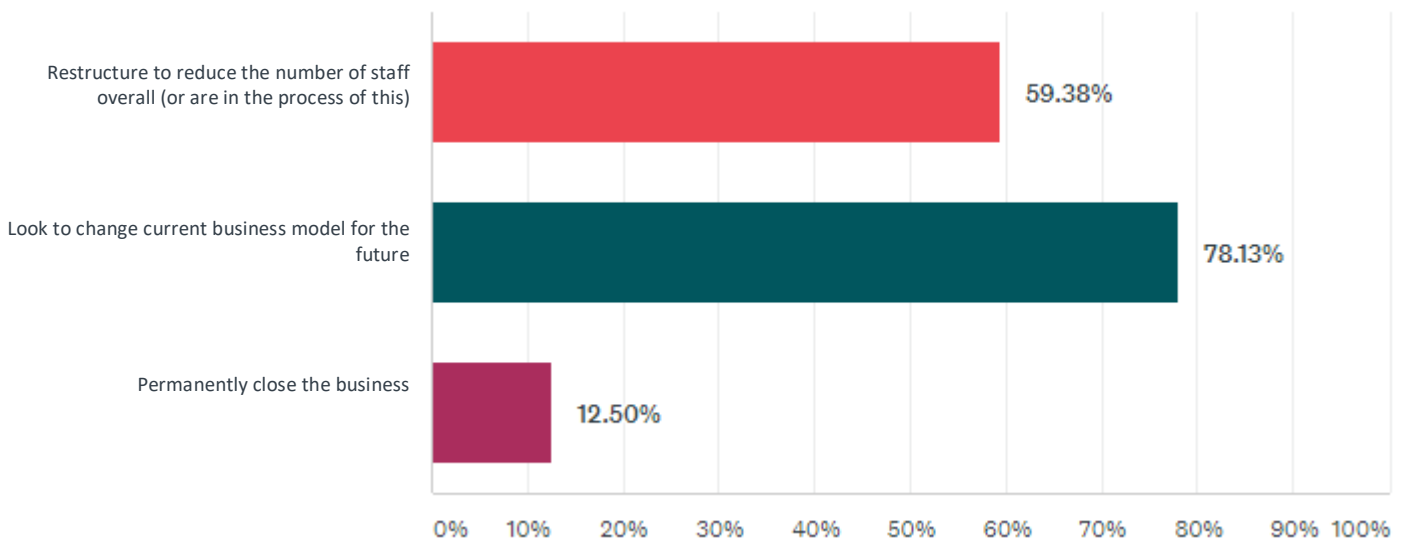
Q3 Looking ahead over the next 30 days, do you anticipate you will need to take any of the following actions? (please check all that apply)? (please check all that apply)

National averages:

Restructure = 57%

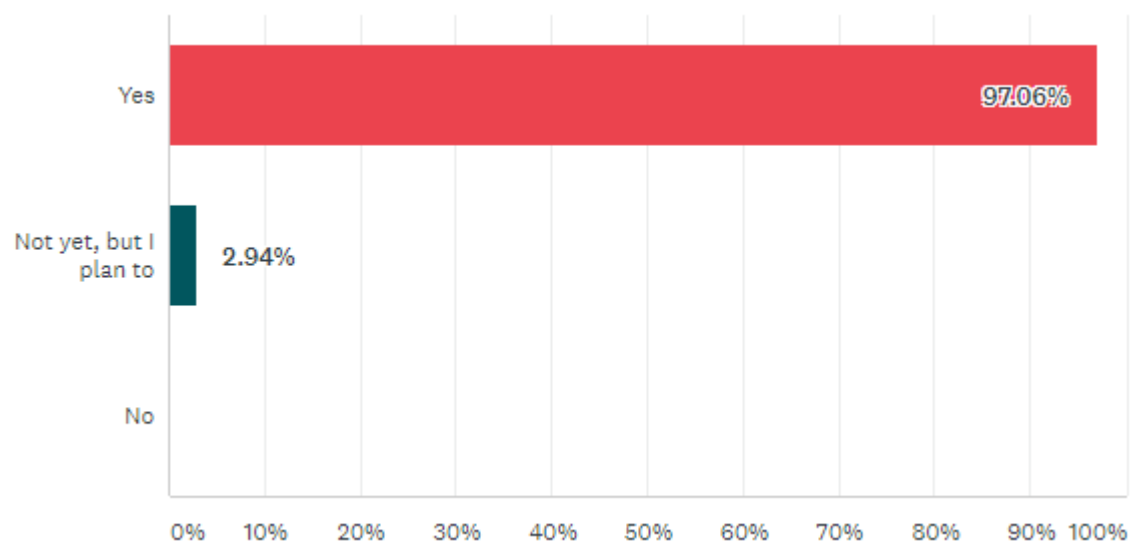
Look to change current model = 67%

Permanently Close = 21%



If you indicated you were looking to restructure, by what percentage do you estimate you will reduce your staffing levels? On average 39% (National average = 37%) - if the industry reduced by this number overall, this is almost 50,000 workers in the industry (that currently employs 133,000).

Q4 Have you applied for the Government's COVID-19 wage subsidy?



---

## MEMBER FEEDBACK:

We need specific targeted measure now to not just cover payroll for staff who would otherwise be laid off, but to assist businesses like ours with funds to cover ongoing bills as they come due. Our income from April onwards is effectively reduced to zero, but we still have many bills to pay on an ongoing basis.

---

We need rent relief.

---

Business won't pick up where it left off, there will be a slow return to pre-covid levels. If the lockdown extends to 2 months it will mean bankruptcy for some. Business needs the Govt to ask landlords for a rent holiday.

---

As a new business the effects of Covid-19 during the week from 19 to 24 March had a massive impact on us as we are still growing. Whilst our turnover shows it to be down by about 7%, from the period 1-24 March I honestly think it would have been closer to 13%. Thanks for your help.

---

I have a query:- There is a subsidy for employees. But nothing declared for employers, how they going to pay their business on going charges plus how they going to run their household expenses. Nothing clear, nothing announced

---

What do we do with our rent payments. This is our largest cost but no one is talking about it.

---

The govt subsidy leaves us short 3k per week for 80% of salaries. For govt I forced closure subsidy should be more as we have no revenue.

---

We also suffered immensely from the road works on Quay Street in Auckland, so we were already down a significant amount from same period last year.

---

We have a financial plan that will enable us to survive the next 4 weeks given that we have received the wage subsidy. After that, it will be a very different picture if the lockdown continues...

---

It was great to have the government directive to shut, so as not to put our staff at risk. We had some staff keen to be open as long as possible and others who were anxious about their exposure to the virus. Of course they all still want to be paid, so the wage subsidy will be an absolute godsend.

---

I expect to close a lot longer than the 4 weeks currently. I will roll 10 weeks at least, I need to be sure that when the community is ready, we will reopen.

---

I've got enough \$ to last for 6 weeks and then I'm broke. Hopefully some more government assistance but definitely some borrowing.

---

We now have a bit of relief for wages, as well as some hopes for mortgage relief and potential loan. Our concern is, Govt needs to step in to enforce landlord to allow free rent (e.g. 3 months or 50% off for next 6 months) otherwise after businesses have taken up wage subsidy and if businesses collapse during recovery period, the budget govt spent will be a huge waste.

---

There should be a relief package for employers too, apart from the wage subsidy which is for the employees.

---

The stress of the changes is overwhelming. We are trying to keep our

staff as they will bring us through this, and yet no one knows how long we are closed, therefore if we wait we may lose our entire investment including our family home. How can you make a decision when it's unknown the speed of the recovery? Are we closed 4 weeks or 6 months, as I can survive 4 weeks, however not much longer.

---

The government wage subsidy only helps employees. Not much help provided to small businesses, which are struggling. They do not have funds to pay the rent.

---

Really only felt the impact once the travel ban was initiated, then the week of 18-24 March business dropped dramatically by -57%

---

How do we survive, not only hit with 4 years of CRL works disrupting business but this as well, with only wage subsidy, how do we pay rent and bills. Unreal.

---

We will not be able to re-build this business in it's current structure because it is a Business, heavily dependent on Japanese wine & food tourism. At this time this looks like it will be too far in the future, which means we lose our home, not just our business.

---

Outstanding bills are going to be a problem with no income

---

Talk to the government about rent free lock down period for small businesses.

---

Insurance companies say there is no cover for loss of profits, stock loss due to closure etc. Can that be challenged?

---

We need support to cover our lease, insurance, house rent, food etc .....

---

Stock write off was significant, thousands in veges and perishable, hundreds of kg of fresh meat and cant freeze as no space. If this goes 2 months many will walk away. Also reopening is not going to start where it left off, could be a long time to get back to pre covid levels. Landlords sitting pretty expecting to sail through without it costing them a cent.

---

Our business has been decimated all functions have cancelled till October.

---

We are having issues with coming to an agreement on rent with our landlord. If there were guidelines or a push for the government to step in to deal with them it would be great. If i have to pay full rent i will close the business permanently

---

The Employer subsidy is not enough and was offered while we still had some income. Quite ironic that when we have no turnover they expect us to still pay 80% of wages when their payment was not even the minimum wage. There is really nothing for business owners why should they take out loans to pay top up wages. The mortgage holiday and ability to get loans is nothing to celebrate as interest is still cumulative on loans and why get into debt to pay staff when you have no idea when you will be open again.

---

A vaccine - seriously though, we feel we have all done the best we can, and even the govt package should help buffet things. Landlords are not being as helpful as hoped - mostly just a deferral rather than relief.

---

Landlord still wants payment. need govt subsidy or directive to suspend rent.