



restaurant  
association  
of new zealand

2020 Election Manifesto

# A hospitality sector fit for the future

# introduction

**The single most important issue for the Restaurant Association in Election 2020 is the hospitality sector's recovery following the COVID-19 pandemic. We are calling on the next Government to work with us to create a concise pathway for rebuilding and repositioning the sector for the future.**

Nationally, the hospitality sector generated annual sales in excess of \$11 billion and employed more than 133,000 people, across 17,000 businesses in 2019<sup>1</sup>. Unfortunately this has been decimated by COVID-19.

Our 2020 Election Manifesto sets out **six key priorities** to best support the recovery of our sector and ensure government policy matches the realities of everyday hospitality operations.

<sup>1</sup> Restaurant Association 2019 Hospitality Report (18 October 2019).

## **Our priority COVID-19 response measures for the incoming Government are:**

- Dine out Help out NZ: a targeted, subsidised dining out campaign
- fund regional advertising campaigns prioritising hospitality and food experiences
- temporarily remove GST on fresh fruit and vegetable produce
- urgent rent and lease relief
- one off revenue drop (hardship) based grants
- establish a hospitality-specific operational team within Immigration NZ

# our priorities

## The Association calls on the next Government to:

1. Lead a Hopso Reset: Attract and train New Zealand hospitality workers
2. Establish a Hospitality Minister and dedicated hospitality unit within MBIE
3. Rework New Zealand's Food Story
4. Examine and refine hospitality's regulatory environment
5. Encourage hospitality as an employment pathway for life
6. Revise immigration settings for recovery

The service sector as a whole is the biggest contributor to New Zealand's GDP, accounting for over 68 percent in 2018, making it one of New Zealand's largest industries.<sup>2</sup> Despite being an enduring powerhouse of the New Zealand economy, policy made for the sector, in particular for hospitality, is fragmented, impractical and often devoid of the everyday realities of operations.

### A hospitality operator's view:

*"You need to have worked many many years within the hospitality industry in order to understand the needs of our businesses."*

The Restaurant Association's 2020 Election Manifesto is calling on the next Government to place greater attention on our sector and create a concise pathway for rebuilding and repositioning the sector into the future.

<sup>2</sup> Stats NZ: [Which industries contributed to New Zealand's GDP?](#)

# priorities snapshot

## Lead a Hospo Reset

**Attract and train New Zealand  
hospitality workers**

Sector-led  
Government supported  
Workforce

## Dedicated portfolio, improved ministry

**Establish a Hospitality Minister and  
dedicated hospitality unit within MBIE**

Government-led  
Sector supported  
Business

## Value-proposition

**Retell the true value of New  
Zealand's food story**

Sector-led  
Government supported  
Consumers, Workforce, Business

## Regulatory clarity

**Examine and refine hospitality's  
regulatory environment**

Government-led  
Sector supported  
Business

## A sector for life

**Encourage hospitality as an  
employment pathway for life**

Government and Sector partnered  
Workforce, Business

## Revise immigration settings for recovery

**Instigate immigration policy renewal  
that supports skill needs**

Government and Sector partnered  
Workforce, Business

# Priority 1:

## Lead a Hospo Reset: Attract and train New Zealand hospitality workers

With New Zealand's borders closed indefinitely, our post COVID-19 world presents the opportunity to reset the worker pipeline and revise our reliance on overseas workers.

Prior to the pandemic, the sector was suffering from severe labour shortages, which meant increased competition for skilled employees and wages beginning to rise beyond customers' expectations for dining prices. However regular surveying says the same thing: there is a lack of New Zealanders applying for hospitality roles, despite operators preference to hire locals.

Much like the immigration strategies, that have been used to attract skilled migrants to our shores, we are advocating for the new Government to prioritise resources toward a full Hospitality Reset, and help us to attract 10,000 Kiwis into our sector.

**The Restaurant Association welcomes the opportunity to work with the next Government to attract more New Zealanders to work in hospitality, rectify the distorted perception of working conditions, and support the positioning of career in hospitality as a viable, attractive, long term employment pathway.**

Our priorities for a Hospo Reset include:

- fund local hospitality employment campaigns as a pathway for Kiwis to learn and earn
- redefine the full range of hospitality apprenticeships
- facilitate a values realignment for the sector as part of the New Zealand Story
- reconsider and reshape the hospitality sector's role within the tourism portfolio
- refine immigration policy so it appropriately acknowledges sector needs
- fund regional advertising campaigns prioritising hospitality and food experiences.

### The cries for Kiwi workers:

*"We would employ more Kiwis and are happy to offer training but where are they?"*

*"Kiwis are not applying for hospitality jobs."*



## Priority 2: Establish a Hospitality Minister & dedicated hospitality unit within MBIE

The Restaurant Association calls for greater recognition and better oversight from the Government in the form of a dedicated Minister and hospitality unit within the Ministry for Business, Innovation and Employment (MBIE).

For a sector that generated annual sales in excess of \$11 billion and employed more than 133,000 people in 2019, to not have a dedicated Minister and policy shop to consult with or call on for advice, means Government policy regularly misses the mark when considered against the realities of our sector. This became increasingly apparent throughout the COVID-19 pandemic response.

The Restaurant Association calls on the next Government to:

- establish a Hospitality Minister portfolio and
- create a dedicated hospitality unit within MBIE to lead Government hospitality responses.

The establishment of a Hospitality Minister and dedicated hospitality unit within MBIE will signal the next Government's intention to play an active role in the sector's recovery, help public sector coordination and provide much needed leadership around hospitality policy development.

### Understanding our industry:

**93% of Restaurant Association members do not believe the Government (in particular officials) have a sufficient understanding of the hospitality industry in order to make effective decisions.<sup>3</sup>**

<sup>3</sup>Restaurant Association Election Survey 2020: Yes - 6.59% v.s No - 93.41%



# Priority 3:

## Rework New Zealand's Food Story

A vibrant hospitality scene is a vital component in attracting tourists to New Zealand, as many in our industry gain international recognition for their innovation and expertise. The Restaurant Association and Eat New Zealand are seeking greater acknowledgement from the next Government for the significant role that hospitality plays in the tourist experience.

Every single visitor to New Zealand consumes our food, and every aspect of the New Zealand food story - from production to tourism - could recognise the importance of connecting with the people who eat our food. Hospitality needs to become an integral part of our domestic and international tourism story.

We encourage the next Government to:

- support the repositioning of the sector's unique food story
- assist in the development of local and community food stories that reflect what is unique to each rohe, drawing on native produce wherever possible
- provide on-the-ground, in-business support to help businesses better showcase their community value proposition as it relates to the national food story.

Our industry has a trickle-down effect: from the delivery driver right through the supply chain to the farmer that grew the produce, it's an intertwined and connected system but where certain parts of that

supply chain have often lacked the respect they deserve. As we navigate no tourists for the foreseeable future, we are presented an opportunity to finetune the story of New Zealand's food experience and better promote the depth and diversity of dining experiences to our own citizens.

Every rohe in Aotearoa has its own food identity. We see pride across the country in locally grown produce and food experiences with whakapapa interwoven back to the region. We need to carve out intrinsically Kiwi dining experiences that speak to our culture, our whenua and our produce with an accompanying narrative of pride that we relentlessly repeat, through every channel available to us.

Targeted investment into telling these community stories will broaden the tourist experience and support the unique nature of manaakitanga in Aotearoa.

### Do we value New Zealand food tourism?

**We cannot continue to devalue the importance of our hospitality industry in our international tourism story - it is just as important as our activity, environment and adventure tourism.**



## Priority 4: Examine & refine New Zealand's regulatory environment

Increasing complexity around rules and regulations is making it difficult for local businesses to grow and provide job opportunities. There is no disagreement in the vital role regulation plays in hospitality to ensure a level playing field and keep consumers safe, however regulation changes over the past three years have weighed heavily on hospitality: employment law changes, additional health and safety obligations, food safety changes, and immigration law tweaks are just a few.

We are calling for the new Government to:

- commence a government-wide review of hospitality regulations
- temporarily remove GST on fresh fruit and vegetable produce until the summer season
- lead a call for local government bodies to review their administrative procedures, and consider 'best practice' standardisation where appropriate.

Our Association always provides members "best practice targets" in an effort to ensure businesses are excelling across all aspects of their operations. Continued movement of goal posts and increased regulation is ostensibly slowing productivity and stalling business growth.



# Priority 5:

## Encourage hospitality as an employment pathway for life

The Association is steadfast in its mission to recreate the hospitality employment narrative and help New Zealanders to see hospitality as a career pathway for life. As set out at Priority 1, the hospitality sector is by and large focused on repositioning its career story as a pathway full of possibility, however more work needs to be done.

Despite being one of New Zealand's biggest sectors, hospitality is plagued with perception challenges and is not widely promoted as a career of choice through the education framework. COVID-19 presents an opportunity to accelerate work around perception change and promote hospitality as a viable, fulfilling, long term career.

We encourage the next Government to:

- lead the redesign of hospitality apprenticeships with the sector, so training is not theory-heavy, and instead involves practical training to create truly work-ready apprentices
- provide financial support for short course training designed by industry for industry that are currently not captured by national training statistics or funding models
- provide greater capability and resilience training opportunities for hospitality business owners

The Association already has a number of recruitment and retention programmes underway, such as HospoStart with the Ministry of Social Development, and we would like to see more employer-led training opportunities supported.

The Association is also expeditiously recalibrating work plans to include the building of long-term capability and improved resilience training across our industry.

Attracting more New Zealanders into the sector is vital for our future. The Restaurant Association welcomes the opportunity to work with the next Government on initiatives that inspire New Zealanders, young and old, experienced or new, to enter our sector and find a pathway for life.

### Feedback from a Restaurant Association Hospo Start programme graduate:

*“On a personal level I can truly say you guys have changed my life. I was a shell and you have brought me out of it. The thought and consideration you have put into our placements is awesome. Every single person I have spoken to is blown away by how suited they are to the position you put them in. You guys have pretty much nailed everyone’s personalities, strengths and weaknesses which shows how much you care not only about us but also your profession.”*

# Priority 6:

## Revise immigration settings for recovery

The Restaurant Association calls for the incoming Government to revise and amend immigration policy, which in its current form, is impacting the sector's recovery.

Restrictions on movements and closed borders means hospitality businesses are in a merry-go-round of recruitment challenges: 78 per cent of businesses trying to recruit skilled workers in the COVID-19 environment are finding it difficult to do so. There is an urgent need for enduring, flexible solutions.

We encourage the next Government to prioritise hospitality within immigration, by:

- establishing a hospitality-specific operational team within Immigration NZ who can appropriately navigate the wide ambit of essential needs across our sector businesses
- building sector-specific resources that outline practical options for common situations
- creating a dedicated hospitality section on the Immigration New Zealand website
- continuing to reward those employers who can demonstrate they are committed to hiring New Zealanders first (for example those engaged in the Hospo Start training programme)
- ensuring Immigration NZ actively supports the Association's work across Government to recreate the hospitality employment narrative, as we promote hospitality as a career pathway for life.

COVID-19 has made it abundantly clear that a one size fits all approach within Immigration NZ does not meet the unique needs of our sector. The Association will ask the incoming Government to review immigration settings and look for swift, pragmatic changes that can better support the industry in the short term, and what we want to see for the national economy in the long term.

### **Hospitality and immigration mix like oil and water:**

*“Immigration NZ’s current position of employing New Zealanders is difficult. Many chefs have left the country and not been replaced by returning kiwis. We have a serious crisis looming this summer if they do not allow visa holders to work or transfer employees noted on their visa.”*

*“It’s always extremely complex trying to get the latest information for our industry.”*

*“Why [does] NZ Immigration make it complicated for businesses to support the visa for employees who were working already while the business is so dependent on them. Application for extending the essential work visa should be made easy.”*

# about RA

## Good food is one thing. Good business is something else.

Our mission is to be the bridge between the two, helping our members to become great. We are not-for-profit, owned by our members and dedicated to helping them succeed.

Restaurant Association membership is a badge of professionalism – we encourage members to actively promote their affiliation to our Association, which is the professional body representing and giving a voice to the industry's challenges and triumphs.

We're passionate about our vibrant industry, which is full of interesting, talented and entrepreneurial people, with our members representing a segment of the industry, focused on success. Our core membership are restaurants and cafes, but we also have food trucks, take away sites, chain restaurants, quick service restaurants, standalone cafes, bars, catering companies, accommodation providers and companies that feed into the industry.

We help all of these members in different ways:

- **We save them money**
- **We provide them with support, information, resources and tools**
- **We provide industry benchmarks and ideals for our industry**
- **We promote and market their business**
- **We deliver opportunities to connect and celebrate success**

We are like the business' silent business partner - available at a moment's notice to answer questions, offer advice or advocate on their behalf. Whether members need advice on an employment dispute or help navigating the terms of their lease, our industry and legal experts have their back.

So, be it something small, or large, we are a one stop shop to help hospitality business owners do business better!



# the link between good food and good business

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