

Hospitality Dashboard

COVID-19 Update
Period: March 2021

Key Indicators



43

Redundancies



13

Business closures



32%

44% of the industry say revenue is down v.s March 2020. The figure (left) indicates the average monthly revenue decline.



29%

40% of the industry say revenue is better v.s March 2020. The figure (left) indicates the average monthly revenue increase.

Note, annual comparison vs March 2020: Industry was significantly impacted by alert level changes in March 2020. Comparison to 2019 revenue would be significantly different.

Member responses

352

Most regular feedback



Business owners focused on preparing for a return of international tourists.



Lack of staff creating strain on business; concerns when customer levels increase.



For some, minimum wage increases are unmanageable, raising wage costs when revenue is reduced.



Mental health and wellbeing crisis - staff and business owners need help.

Future Considerations

- Hospitality is optimistic about travel bubble, however, challenges finding staff will potentially hinder the ability for businesses to maximise opportunities afforded by international travel. Programmes to encourage New Zealanders into the industry, or review of immigration policy required to assist industry recovery.
- SME owners are exhausted with over a year of fighting to save their businesses. Mental health & wellbeing support needs to be prioritised or we face a looming health crisis.

Actions led by the sector this month

- Raised concerns with **Minister for Covid-19 Response** to urgently review requirements for the hospitality industry in current alert level framework. Provided alternative framework model.
- Organised hui with government-appointed Chair of independent advisory group **reviewing the government's response to Covid-19**.
- Provided additional information to government on **#DineOut HelpOut petition**. Organised to formally present additional feedback on the initiative.
- Corresponded with **Minister for Food Safety** regarding ongoing collaborative approach to working with New Zealand Food Safety.
- Undertook consultation with industry and prepared a **submission** in response to advice proposing to ban new gas connections from 2025, prepared for the Climate Change Commission.
- Held separate **meetings with the leader of National party** and **National MP for Rotorua** to discuss industry challenges.
- Reviewed and created 6 new **industry-specific resources** to assist the industry.

Snapshot: Member Commentary



"The minimum wage increase and relativity increases have had a huge impact. Wages can often be 40-60% on low trading days. We are now looking at ways of reducing staff hours - so the minimum wage will more quickly lead to automisation and less employment. Agree with increasing the minimum wage in principle but not in a Covid year."

"These last 12 months have been the most challenging ever and I have been in the business for 32 years. We remain positive, increasing our training and trying to pay and value our staff as much as we can. The old business model is replaced by wage costs of up to 40%, which requires a new way of structuring this and any other potential business."

"Staff still an issue to find with little to no international labour pool coming into NZ or being moved into other areas. MAJOR ISSUE looming when a bubble does open - we won't have the people to service them."

Common pain point

Staff / recruitment challenges putting strain on business.

Owners working longer hours to fill staffing gaps and there are concerns about managing the lack of staff and maintaining service levels when travel bubble opens.



Pātai? Need further information?

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