

# Hospitality Dashboard

Monthly Update  
Period: March 2022

Member  
responses  
717



## Key Indicators

All of Aotearoa in Red



90% of the industry say revenue is lower v.s last year, **March 2021**. The figure (left) indicates the average revenue decline (nationwide) for the full month.



Nationwide, **72%** of owners indicate their health & wellbeing is currently impacted.



Business closures



Redundancies

## Most regular feedback



Inflation is having a dramatic impact. Owners are grappling with how to manage cost increases, concerned about passing on costs to customers.



Owners hope that international workers can return to alleviate staffing shortages but there are concerns about potential barriers to hiring and the lack of information around 'immigration rebalance' and the AEWV.



The CSP has been helpful for those that have been eligible, however operators need an extension - while we are at Red and impacted by restrictions and declined revenue.

## Future Considerations

1. **Re-introduction of wage subsidy or extension of CSP** - consideration needs to be given to extend the financial support for affected businesses, or reintroduce the wage subsidy to help protect jobs. Revenue levels are still declined, the country is still in Red, customer hesitancy is still high and restrictions are still in place for hospitality that impact the ability to trade profitability.
2. **Immigration rebalance policy** needs to balance government objectives around long-term immigration policy with the needs of business owners in all industries facing skill shortages and low unemployment rates.
3. **Economic stimulus packages on the back of an Omicron outbreak** have reinvigorated the hospitality and tourism industry overseas and helped encourage people back out. Now is the time for this type of targeted support to be introduced in Aotearoa.

## Key actions led by the sector this month

- Worked with MSD on an initiative to provide additional **support for affected employees** - to connect workers with new job opportunities and redeployment.
- Connected with the **Chairman of the Metro Sector of Local Government New Zealand** regarding support for the hospitality sector.
- The RA's **HospoStart** training in Auckland and Canterbury provided 45 unemployed New Zealanders with an introduction to hospitality, work experience and job placement.
- Provided business support and free resources through the **Activate Tamaki Makaurau** platform.
- Consulted with industry to gather feedback on the **Income Insurance scheme**.
- Researched RA members on their **adoption of technology** and other innovations that have been implemented over the past 2 years.
- Organised a webinar for hospitality operators on **changes to the Covid-19 Protection Framework**, presented by MBIE Policy Directors.
- Participated in the **Tourism Business Network q&a hui** with Minister of Tourism, Minister Nash.
- Created guidance for employers to assist with **managing the Leave Support Scheme** payments and staff absence from work.



39% indicate the traffic light changes will have a positive impact



Removal of the seated & separated rule would have the biggest impact

## Additional insights



In March 40% temporarily closed due to ongoing staffing shortages



Year on year revenue comparisons don't account for accumulative declines

## Snapshot: Member Commentary



"We find we are losing key senior staff, partly due to additional covid-related stress and the inability to employ experienced co-workers, thereby making their workload unmanageable."

"I feel nervous about inflation. We will be increasing prices due to costs rising but I'm also aware that customer's budgets are being impacted and they have less disposable income."

"I'm knackered - we worked through Xmas to give our managers time off and haven't had more than a day off a week (if that) since November. It's mentally exhausting, every day brings a new set of challenges - it does feel like there is light at the end of the tunnel, but still so much uncertainty and new strains of COVID."

"We need serious help, targeted support to help the hospitality sector to survive. we are just hanging by a thread and don't know for how long. Debts are mounting and don't know for how long we can survive."



## Pātai? Need further information?

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