

Hospitality Dashboard

Monthly Update
Period: February 2022

Member
responses

910



Key Indicators

All of Aotearoa in Red



86% of the industry say revenue is lower v.s last year, **February 2021**. The figure (left) indicates the average revenue decline (nationwide) for the full month.



Nationwide, **86%** of owners indicate their health & wellbeing is currently impacted.



Business closures



Redundancies

Note, February 2021 was at heightened Alert Levels for part of the country.

Most regular feedback



Operators are working 80-100 hour weeks due to staffing challenges, compounded by absences of isolating staff.



Commercial rents are rising - with many operators unable to negotiate any relief under Red settings.



The CSP threshold is set too high at 40%, considering accumulative revenue declines over the past 2 years.



Businesses with isolating staff have been forced to close without sustainable levels of staff to operate.

Future Considerations

1. **Re-introduction of wage subsidy** - a critical need for small business owners through the Omicron outbreak.
2. **Commercial rent legislation** - better solutions needed as the current solution is largely unworkable, particularly when businesses are 'open' for business.
3. **Financial support** - needs to be extended to help small businesses get through the next 3 months.
4. **Support councils to provide reductions of, or flexibility in payments** - for rates, licensing and administrative fees (as well as simplifying application processes).
5. **'Return to work' rapid antigen testing** - allow for other industries as a means for businesses to stay open when there are high levels of isolating staff.

Key actions led by the sector this month

- **Provided feedback to Treasury** on proposals for targeted support.
- Formally communicated with the **Minister of Finance**, to discuss the government's Covid-19 response, proposing solutions for support for the hospitality industry, and the **Covid-19 Response Minister**, regarding improving government comms of the traffic light setting.
- Worked with Government representatives, **MP's Chlöe Swarbrick, Helen White, Andrew Bayly and Dr James McDowall**, to support raising awareness of industry issues.
- Organised an **emergency meeting**, bringing together over 200 hospitality operators and government representatives to discuss the current situation, and what the industry is calling for.
- **Raised issues with the date comparator** period for CSP with Government, providing feedback directly to Minister of Finance office.
- Renewed **DineOut HelpOut campaign** - addressing customer hesitancy & highlighting what the industry is doing to keep diners safe.
- Created a template for members to **raise an investigation with the Ombudsman** for those unable to access wage subsidy support in 2021.
- Created policy & agreements to facilitate **secondment arrangements** - helping businesses closed due to Covid & those needing staff.
- **Provided guidance for business owners** on how to raise their stories and reach out to their local MP's.
- Provided support and redeployment assistance to industry workers through the RA's **Tautoko Hāpai Ō** programme.

International travel reopening will positively impact 55%

Operators are increasingly concerned of growing debt levels

Additional insights

In Feb. 44% temporarily closed due to ongoing staffing shortages

54% believe they will qualify for CSP

Snapshot: Member Commentary

"This traffic light system is tremendously dropping the revenue and cash flow is super tight which is very stressful. The isolation process for sick staff is making me more stressed, as you will never know from day to day who will be working or isolating."

"Our landlord is constantly breathing down our necks, and I'm paying what I can, but we literally have no income so I'm in the process of selling my house to help cover this cost."

"I work 80 hours a week in the kitchen in order to keep my staff in their jobs and I don't pay myself. I employ 14 people in total. My feet and hands hurt and I'm constantly exhausted."



Pātai? Need further information?

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