

# Hospitality Dashboard

Monthly Update  
Period: April 2022

Member  
responses  
840



## Key Indicators

All of Aotearoa in Red until 14 April (then Orange).



65% of the industry say revenue is lower vs last year, April 2021. Of those, 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



The impact of staff shortages is significant. Employers are struggling to manage the uptick in business due to limitations resulting from staff shortfalls.



Burnout is a critical issue for hospitality employers.



As other countries reopen for international workers, employers are questioning our country's immigration strategy.



Labour shortages are also hindering industry growth, as employers put future plans on hold due to the challenges.

## Future Considerations

- **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.
- The timing of key **legislation changes** being proposed in 2022 must be considered - Income Insurance, Fair Pay Agreements, Transforming Recycling, Modern Slavery legislation, and more. There is apprehension around the significant impact these changes will have on business at the start of our recovery phase.
- The move to Orange has improved customer hesitancy around eating out, however operators are concerned about future outbreaks and how to ensure **business survival** if the country moves back to Red.

## Key actions led by the sector this month

- Launched campaign **#hospolife** to promote and attract workers to 'find their future' in hospitality. [hospolife.co.nz](https://hospolife.co.nz)
- Consulted with industry and made submission for MBIE on the **NZ Income Insurance Scheme**.
- Launched initiative in partnership with MSD to provide additional **support for affected employees** - to connect workers with new job opportunities and redeployment.
- Collaborated with Business New Zealand on a campaign to raise awareness of employers' viewpoints on the **Fair Pay Agreements Bill**. Provided RA members with different mechanisms to voice their own opinions on this issue and commenced follow up submission on the Bill.
- Contributed to the **Workforce Development Plan** for Auckland through MBIE.
- Consulted with RA members on hospitality employment, working conditions and pay for the **Hospitality Workforce Insights report**.
- Created guidance for employers to assist with **managing the new Accredited Employer Work Visa**.
- Provided 60+ employees with training through the RA's 13 week and 26 week **Springboard employee training programme**.



55% indicated that Easter / school holidays were the 'same' or 'busier' than a typical year.



Businesses are currently trading at 71-80% of typical customer levels

## Additional insights



In April 53% temporarily closed due to ongoing staffing shortages



63% say revenue is 'better' or 'significantly better' than last month, March 2022.

## Snapshot: Member Commentary



"The already narrow profit margin has become less. Cost of food, freight, power, labour, gas, everything has gone up. But we are trying to not increase food prices too much to not lose customers.."

"I have never in my life been faced with so many challenges than over the past 2 years. Covid was an incredible series of challenges but the labour shortage happening right now is far more serious."

"Staffing is still our biggest issue along with the worry of the new immigration rules and FPA rules to come. Why are we keeping workers out of the country? Other countries are opening their arms and dropping visa fees to get workers into the country. I still have a variation of conditions application in for a Chef from the end of January - it hasn't been processed!

"Our customers seem to have shrugged off "Covid-fear" now that restrictions have been lifted."



## Pātai? Need further information?

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