



Serving Success

Opportunities for the New Zealand Hospitality Industry

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Overview

New Zealand's hospitality sector hosted its Hospitality Summit in Wellington, at Parliament Buildings on Thursday 12 December 2024. The event provided a platform for sector stakeholders to engage directly with each other and government representatives. The Summit facilitated dialogue and collaboration, ensuring that stakeholders within the sector actively contribute to developing solutions that shape future policy-making.

To ensure the success of this Summit, Hospitality NZ and the Restaurant Association, in collaboration with the Ministry of Business, Innovation and Employment (MBIE), conducted a survey of the organisations' members, as well as the wider hospitality sector.

The survey invited participants to share their insights, experiences, and opinions on various aspects of running a business in the hospitality sector. The feedback was then used to identify priority issue areas, and recommended potential solutions, which were presented to attendees at the Summit and further developed throughout the day.

This report identifies a range of solutions to key issues facing hospitality, reflecting the sector's priorities and aspirations. These solutions are based on the initial survey data, and broader engagement efforts and reflect the feedback from participants at the Hospitality Summit.

How to read this report

Identified solutions are summarised across seven themes, with each its own section of this report. The themes are:

1. Hospitality Data
2. Immigration Policy
3. Licensing and Regulatory Compliance
4. Alcohol Policy
5. Employment Issues
6. Skills and Training
7. Hospitality and Tourism

Each section includes an overview, and a table (or tables) outlining the key problem(s) in each area, proposed solutions to those problems, parties responsible for delivering that solution, and a rationale for each solution. Overall, this report represents the first phase of co-designing a roadmap for change within the hospitality sector.

Quick wins: building momentum through impactful, early action.

Quick wins are initiatives that require relatively low levels of effort, such as minimal resource allocation or funding, or do not require legislative change, but can deliver medium to high impact.

While these actions may focus on immediate impact rather than long-term transformation in hospitality, they establish momentum and demonstrate progress, building confidence among stakeholders and laying the foundation for tackling more complex challenges.

Throughout this document, quick wins are displayed in bold in each section's solutions table.

Hospitality Data

It is often unclear what information is essential for starting and managing a business, and where those in hospitality should look. This lack of clarity can hinder new and existing businesses from making informed decisions.

Despite the availability of extensive information there are believed to be significant data gaps within the sector, with a lack of clear understanding regarding what data currently exists and what additional data is needed. Additionally, there is a lack of clarity around the government's plans and goals for the hospitality sector, and its role within the broader tourism and hospitality ecosystem.

The problem: Relevant information for hospitality is dispersed across various sources and is often disjointed, causing tension, inefficiency and confusion in the industry.

The solution	The rationale
<p>Develop a central online platform (Central Hub) to consolidate relevant information and resources for the hospitality industry from both government and industry bodies.</p> <p>Responsible parties: the Restaurant Association and Hospitality NZ, with support from MBIE.</p>	<p>A single, comprehensive source of information would make it easier for businesses to find and access the essential information they need. This would reduce confusion, streamline decision-making processes, and ensure that all stakeholders are working with the most up-to-date and accurate information.</p>
<p>Support and expand the ongoing data domain project by the Restaurant Association and Hospitality NZ, including leveraging the application submitted to the Tourism Data Partnership Fund.</p> <p>Responsible parties: Hospitality NZ and the Restaurant Association, with support from MBIE.</p>	<p>Amplifying this project would build on existing efforts to improve data collection and analysis within the sector. It would also ensure that the industry has access to high-quality, relevant data to drive growth and innovation.</p> <p>Note: The Government announced funding to support this work at the Hospitality Summit.</p>
<p>Host regular industry forums where representatives from government can meet with industry to discuss respective plans, goals, and challenges.</p> <p>Responsible parties: the Restaurant Association and Hospitality NZ.</p>	<p>Regular communication between the industry and government would help bridge the gap in understanding and alignment. These forums could be held quarterly and include presentations, Q&A sessions, and collaborative workshops.</p>
<p>Perform a data audit to identify and catalogue all hospitality-specific data currently available.</p> <p>Responsible parties: Hospitality NZ and the Restaurant Association.</p>	<p>A data audit would provide a clear picture of what data is already available, and what additional data is needed. This would help in making informed decisions about data collection and utilisation.</p>
<p>Include hospitality data on existing platforms like the Tourism Evidence and Insights Centre.</p> <p>Responsible parties: the Restaurant Association and Hospitality NZ.</p>	<p>Aggregating data with established platforms would enhance data accessibility and usability. It would also provide a more comprehensive view of the sector, facilitating better analysis and decision-making.</p>

Immigration Policy

The constraints of operating with a deficit of workers are often cited by operators as one of their biggest ongoing challenges, which is exacerbated during seasonal peaks. Our hospitality businesses must be able to attract, recruit and retain overseas talent to help bolster our workforce in the short term, allowing the sector to successfully build and upskill our domestic workforce.

The one-size-fits-all approach to immigration settings taken to date has not met the unique needs of our sector. Hospitality needs a clear road map from the government pertaining to short, medium and long-term immigration plans that provide clarity for businesses, and that are responsive to sector-based nuances like ours.

The problem: Constant changes to the immigration system have created a confusing and expensive landscape for employers, with inconsistent and delayed processing decisions.	
The solution	The rationale
<p>Reintroduce industry-specific immigration officers to enhance visa processing.</p> <p>Responsible Parties: Immigration New Zealand.</p>	<p>Building the institutional capability of immigration officers to understand the different roles in hospitality will help to improve industry engagement and efficiency of visa processing.</p>
<p>Establish industry advisory groups as feedback channels to quickly raise and address issues as they arise.</p> <p>Responsible Parties: Immigration New Zealand.</p>	<p>The industry has already met collectively with Immigration New Zealand several times, but this often comes after media coverage of significant immigration challenges. Formalising regular meetings will help to address issues more quickly.</p>
<p>Extend the maximum work period for working holiday visa holders to at least six months for those countries where this currently applies, with a target of 12 months for all countries.</p> <p>Responsible Parties: MBIE, Ministry of Foreign Affairs and Trade.</p>	<p>This would alleviate recruitment and training costs for businesses by allowing more time to onboard and integrate new employees. Additionally, it would provide greater job security for workers on a holiday visa, reducing the pressure to constantly seek new employment.</p>
<p>Ensure students who choose to study hospitality in New Zealand are eligible to work here after their studies.</p> <p>Responsible Parties: MBIE.</p>	<p>Giving international students who study hospitality in New Zealand the right to work will help to both fill skills gaps and prevent exploitation by giving them legitimate work opportunities.</p>

The problem: No skills-based pathways to residency are suitable for hospitality workers.	
The solution	The rationale
<p>Integrate regional skills shortage lists into the points allocation system for residency applications.</p> <p>Responsible Parties: MBIE.</p>	<p>By recognising specific regional shortages, the points system can better reflect the actual demand for skilled workers in various sectors, including hospitality, making it more relevant and effective.</p>

The problem: No skills-based pathways to residency are suitable for hospitality workers.

The solution	The rationale
<p>Allocate points for international professional registrations.</p> <p>Responsible Parties: MBIE.</p>	<p>Given that New Zealand lacks a registration body for chefs, acknowledging international qualifications would provide a fair assessment of candidates' skills and experiences.</p>
<p>Adjust the points system to allocate points for qualifications lower than Level 7.</p> <p>Responsible Parties: MBIE.</p>	<p>Most recognised qualification pathways exist in the hospitality industry that do not meet the Level 7 threshold but still demonstrate valuable skills and knowledge.</p>
<p>Modify the Skilled Migrant Category points system to acknowledge skills that cannot be measured by formal qualifications.</p> <p>Responsible Parties: MBIE.</p>	<p>In hospitality, practical experience often outweighs formal education, and recognising this can lead to a more accurate assessment of a candidate's capabilities.</p>
<p>Add chefs and restaurant managers to the Green List, providing a pathway to residency that is not solely based on wage rates.</p> <p>Responsible Parties: MBIE.</p>	<p>This inclusion would recognize the critical role these professionals play in the hospitality sector and facilitate their entry into New Zealand.</p>

The problem: ANZSCO is not an exhaustive list of occupations, leading to frequent incompatibilities between its descriptions and many roles in hospitality.

The solution	The rationale
<p>Undertake a comprehensive review and realignment of National Occupation List (NOL) classifications and their associated skill levels to better reflect job roles and requirements in the hospitality sector.</p> <p>Responsible Parties: Statistics New Zealand, the Restaurant Association and Hospitality NZ.</p>	<p>Ensuring the new NOL classifications are correct is crucial for the efficiency of visa application processes. A realignment would help match job descriptions more closely with actual work situations, reducing misclassifications and the subsequent delays in processing.</p>

The problem: the Accredited Employer Work Visa (AEWV) scheme has become unwieldy, expensive and non-responsive to the needs of industries.

The solution	The rationale
<p>*Remove median wage thresholds and replace income requirements with either market rates, industry median rates or a threshold of 10 percent above minimum wage.</p> <p>Responsible Parties: MBIE.</p>	<p>Blanket wage thresholds are used as an arbitrary indicator of skill, rather than a protection against exploitation, and are often out of line with industry medians causing wage inflation.</p>

The problem: the Accredited Employer Work Visa (AEWV) scheme has become unwieldy, expensive and non-responsive to the needs of industries.

The solution	The rationale
<p>*Introduce a tiered accreditation system for employers that recognises third-party checks, allowing for streamlined processes.</p> <p>Responsible Parties: MBIE.</p>	<p>This system would incentivise businesses to maintain high standards upfront and reduce administrative burdens for those businesses already verified, as well as Immigration officials.</p>
<p>*Remove the job check step for businesses that have proven their reliability through up-front accreditation through HospoCred.</p> <p>Responsible Parties: MBIE.</p>	<p>This would streamline visa and hiring processes, as the third-party verification is already complete, reducing unnecessary delays.</p>
<p>*Review the Ministry of Social Development’s role in job checks, particularly regarding candidate skill levels.</p> <p>Responsible Parties: MBIE.</p>	<p>MSDs involvement in the job check process has led to a complete lack of confidence in the quality of candidates provided by MSD, as candidates are being sent to employers without the requisite skill level.</p>
<p>*Raise the minimum number of tokens issued from five to eight without requiring a higher tier of accreditation.</p> <p>Responsible Parties: MBIE.</p>	<p>Increasing token availability would provide employers with greater flexibility in hiring, potentially leading to better job matches.</p>
<p>*Increase the maximum continuous stay for the Accredited Employer Work Visa (AEWV) from the current two years to a standard three-year duration, with an opportunity to extend for another two – to a five-year total.</p> <p>Responsible Parties: MBIE.</p>	<p>This change would alleviate the significant administrative burden on employers and serve as a more attractive option for international workers, who often have access to longer visa durations in other countries</p>
<p>*Reassess the requirement for migrant workers to leave New Zealand for a 12-month period before being eligible to reapply for another AEWV.</p> <p>Responsible Parties: MBIE.</p>	<p>This policy can act as a disincentive for skilled workers, potentially leading to staffing shortages in key industries. Allowing for a more flexible reapplication process could encourage workers to remain engaged with New Zealand’s labour market</p>

**Indicates actions already under consideration through the AEWV review.*

Licensing and Regulatory Compliance

Reducing the compliance burden is a cross-cutting theme that touches many of the other areas mentioned in this report. It has a dedicated section because of its significance to the industry, and there are opportunities identified that can work overall to ease this burden. Streamlining processes and improving communication between regulatory bodies can significantly reduce the time and resources businesses need to spend on compliance.

When hospitality businesses share information with regulatory bodies and councils, they are often required to submit the same information multiple times. This repetitive process adds significant time and compliance burdens on businesses. The duplication of effort not only increases administrative workload but also diverts resources away from core business activities.

The problem: Compliance processes are exceedingly burdensome and require a significant amount of administrative effort from small business owners.

The solution	The rationale
<p>Streamline government application processes with HospoCred.</p> <p>Responsible Parties: MBIE with support from Hospitality NZ and the Restaurant Association.</p>	<p>By utilising the comprehensive vetting and benchmarking offered by the HospoCred accreditation programme, local and central governments can streamline workflows, reduce costs, and build stronger partnerships with the hospitality industry.</p>
<p>Endorse Business New Zealand’s Reducing Compliance Report (2024) to strengthen the industry’s collective voice and advocate our shared perspectives to government.</p> <p>Responsible Parties: the Restaurant Association and Hospitality NZ.</p>	<p>There is strong alignment between the report and what was heard from the hospitality industry. Of relevance to the hospitality industry are key recommendations included at Appendix 1 of this report.</p>
<p>Develop a page within the Central Hub that consolidates information on local government compliance processes relevant to hospitality.</p> <p>Responsible Parties: Hospitality NZ and the Restaurant Association.</p>	<p>By centralising compliance information, hospitality businesses can more easily navigate the often complex and time-consuming regulatory landscape.</p>
<p>Extend and promote the use of Business Connect as a platform for streamlining compliance processes.</p> <p>Responsible Parties: MBIE with support from the Restaurant Association and Hospitality NZ.</p>	<p>By using Business Connect, businesses can reduce the time and effort spent on repetitive submissions. Extension could include the development of a unified submission tool.</p>
<p>Encourage regulatory bodies to adopt and integrate with Business Connect, allowing businesses to submit information once and share it across multiple agencies.</p> <p>Responsible Parties: MBIE with support from Hospitality NZ and the Restaurant Association.</p>	<p>Business Connect can centralise data, making it easier for regulatory bodies to access necessary information without requiring multiple submissions. This would significantly reduce the compliance burden on businesses and improve efficiency.</p>

The problem: Compliance processes are exceedingly burdensome and require a significant amount of administrative effort from small business owners.

The solution	The rationale
<p>Establish and coordinate formal industry representation on local and national regulatory committees, ensuring hospitality has a voice in decision-making, consultation processes, and priority projects.</p> <p>Responsible Parties: the Restaurant Association and Hospitality NZ.</p>	<p>Having industry representatives on regulatory committees gives hospitality a say in important decisions. This helps create fair rules, better government support, and a stronger industry.</p>
<p>Ensure hospitality is an area of focus for the Ministry of Regulation.</p> <p>Responsible Parties: Hospitality NZ and the Restaurant Association.</p>	<p>The regulatory framework for hospitality is fractured and confusing. Streamlining regulation can significantly reduce the time and resources businesses need to spend on compliance.</p>
<p>Scale food registration fees based on business size, for example based on turnover or number of FTEs.</p> <p>Responsible parties: Ministry for Primary Industries</p>	<p>The MPI food levy is not scaled according to business size, meaning small businesses pay the same as large corporations.</p>
<p>Introduce strong parameters and transparency requirements around cost recovery, so councils consider whether fees increases are necessary (or necessary to the extent they are seeking).</p> <p>Responsible parties: Ministry for Primary Industries, Local Councils</p>	<p>Councils often use 'cost recovery' as justification for fee increases. Requiring transparency will give applicants confidence that the level of increases is genuinely covering costs incurred and ensure councils have sought to cut costs or improve efficiencies before raising funds from applicants who don't have an option not to pay those fees.</p>
<p>Streamline compliance processes, including adoption of digital systems for risk management and compliance assessments, and development of a simplified risk management programme.</p> <p>Responsible parties: Ministry for Primary Industries</p>	<p>Small businesses face high compliance costs and extended approval times for food safety and export compliance assessments, to a point where minor changes in risk management programs can require extensive documentation and costly re-evaluations - many of which still require paper forms to be filled out, signed and submitted.</p>
<p>Assess the Food Standards Australia New Zealand regulations against international standards to reduce unnecessary testing costs and complexity for small businesses.</p> <p>Responsible parties: Ministry for Primary Industries</p>	<p>The FSANZ standards exceed international accepted practice - increasing costs for small businesses without providing any additional safety benefits.</p>

The problem: Compliance processes are exceedingly burdensome and require a significant amount of administrative effort from small business owners.

The solution

Provide more kitchen licence flexibility by streamlining licensing variation processes and costs.

Responsible parties: Ministry for Primary Industries

The rationale

Commercial kitchen licensing provides little flexibility when it comes to testing variations of products or different ways to prepare food. For instance, a food producer may have a licence to cut fruit and vegetables for jams/pickles, but has to apply for a variation to their licence to sell cut produce, like halved pumpkins.

Alcohol Policy

Alcohol is an area where there are numerous opportunities to improve the experience of the hospitality industry, and where improvements can be made to enhance compliance and operational efficiency, while minimising alcohol-related harms.

The pricing landscape for alcohol sales in New Zealand reveals a significant inequity between on-premise and off-premise licenses. While retail liquor stores benefit from lower operational costs and fewer regulatory burdens, hospitality venues such as bars and restaurants struggle with higher expenses, making it challenging for them to compete effectively in the market.

There are also legislative requirements that do not reflect the practicalities of operating a hospitality business, which lead to unnecessary difficulties for both employers and staff.

The problem: Disparity in costs to on-premise and off-premise licenses.	
The solution	The rationale
<p>Lower the tax on kegs for on-premise venues to help reduce operational costs and enable more competitive pricing.</p> <p>Responsible parties: NZ Customs Service</p>	<p>Reducing the tax on kegs would enable hospitality businesses to lower their expenses, and allow them to offer more competitive prices.</p>
<p>Review the risk weighting framework in the Sale and Supply of Alcohol (Fees) Regulations.</p> <p>Responsible parties: Ministry of Justice</p>	<p>The framework should better reflect the responsible supply regulations for on-licence venues, and the proportion of harm caused by on-licence venues compared to off licences.</p>
The problem: District Licensing Committee (DLC) processes are inconsistent and time consuming.	
The solution	The rationale
<p>Repeal the Sale and Supply of Alcohol (Community Participation) Amendment Act to reintroduce more certainty around licence renewals and enable DLCs to hear evidence that is directly relevant to communities.</p> <p>Responsible parties: Ministry of Justice</p>	<p>Repealing the Act would remove the complex requirements that currently impact existing licences and the procedures followed by DLCs. This would streamline the licensing process, reduce administrative burdens, and ensure that evidence considered by DLCs is pertinent to community needs and concerns.</p>
<p>Develop and provide training programs and resources for DLC members.</p> <p>Responsible parties: Hospitality NZ and the Restaurant Association, with support from the Ministry of Justice.</p>	<p>These resources would help DLC members navigate the new requirements and procedures introduced by the amendment.</p>

The problem: District Licensing Committee (DLC) processes are inconsistent and time consuming.

The solution	The rationale
<p>Establish clear, objective criteria that agencies must meet before sending an applicant for a licence to a hearing, ensuring only well-founded objections proceed to the hearing stage.</p> <p>Responsible parties: Ministry of Justice.</p>	<p>Implementing higher threshold requirements would reduce the number of unnecessary hearings, thereby lowering the financial and administrative burden on licensees. This would promote a fairer and more transparent licensing process.</p>
<p>Offer a mediation service that would cost less than a hearing, allowing licensees to resolve disputes through facilitated discussion rather than a formal hearing process.</p> <p>Responsible parties: Ministry of Justice, District Licensing Committees.</p>	<p>Mediation provides a more efficient and less costly way to resolve these disputes.</p>

The problem: Legislative requirements have not kept up with consumer activity, and do not reflect the practicalities of operating a hospitality business.

The solution	The rationale
<p>Amend subpart 7 of the Sale and Supply of Alcohol Act to remove the requirement enforced in some regions that individuals must have worked in-country for six months before being certified as Duty Managers.</p> <p>Responsible parties: Ministry of Justice.</p>	<p>Removing the time restriction will alleviate staffing pressures and allow for a larger pool of possible duty managers</p>
<p>Allow for more flexible scheduling of duty managers, such as permitting part-time or shared duty manager roles across multiple venues.</p> <p>Responsible parties: Ministry of Justice.</p>	<p>Flexibility in duty manager scheduling would help businesses manage their staffing more efficiently, reducing the strain of having a duty manager present at all times. This would also allow smaller venues to share resources and reduce costs.</p>
<p>Amend the Sale and Supply of Alcohol Act to allow for no-alcohol options alongside low-alcohol options.</p> <p>Responsible party: Ministry of Justice.</p>	<p>Venues are required to stock low-alcohol options, but existing regulations do not include 0% alcohol beverages in this category. As a result, venues must stock mid-strength options that customers are less likely to purchase. Note: There is a members' bill in the ballot which seeks to address this issue.</p>
<p>Repeal Sections 47 and 48 of the Sale and Supply of Alcohol Act to remove Good Friday and Easter Sunday as restricted trading days.</p> <p>Responsible party: Ministry of Justice.</p>	<p>This would clarify rules around permitting the sale of alcohol only with a meal, and would allow businesses to choose whether they open over Easter weekend, without legislation preventing them from doing so.</p>

The problem: Legislative requirements have not kept up with consumer activity, and do not reflect the practicalities of operating a hospitality business.

The solution

The rationale

Implement online accessible training (e.g. Servewise) as a requirement for all staff serving alcohol. This will help increase basic knowledge of responsibilities under the Act for all staff, to take pressure off the duty manager.

Responsible parties: Ministry of Justice, Health New Zealand, Hospitality NZ and the Restaurant Association.

Requiring online alcohol training for all serving staff ensures they understand their responsibilities and follow the law. This reduces pressure on duty managers and improves overall compliance.

Employment issues

The hospitality industry is known for its demanding work environment, characterised by long hours, high stress, and physically intensive tasks. These conditions can significantly impact the wellbeing of employees, leading to issues such as burnout, mental health challenges, and high turnover rates.

The problem: Difficulty for small-business owners managing employment agreements increases the risk of noncompliance and potential legal disputes.

The solution	The rationale
<p>Create a dedicated page within the Central Hub (from the data recommendation) to provide comprehensive information on existing mental health resources available to hospitality employees.</p> <p>Responsible parties: the Restaurant Association and Hospitality NZ</p>	<p>Providing easy access to mental health resources can help hospitality workers promote resilience, manage stress, prevent burnout, and improve their overall wellbeing. By centralising this information, employees can quickly find the support they need, fostering a healthier and more supportive work environment.</p>
<p>Promote the use of industry specific contract templates for employment agreements within the hospitality sector.</p> <p>Responsible Parties: Hospitality NZ and the Restaurant Association</p>	<p>Industry access to appropriate templates will reduce the risk of noncompliance and legal disputes by ensuring that all employment agreements adhere to legal requirements.</p>
<p>Support development of wellbeing resources being produced by the hospitality industry, set to launch in May 2025.</p> <p>Responsible parties: the Restaurant Association, Hospitality NZ, and Helmet</p>	<p>The app will serve as a new resource for the hospitality sector, empowering individuals to better support their colleagues and themselves through mental health challenges by providing tailored guidance and actionable advice on an easy to access platform.</p>

The problem: Sick leave accrues at the same rate for part-time employees as full time.

The solution	The rationale
<p>Pro-rata sick leave based on the number of hours worked by an employee, so part-time employees accrue sick leave in proportion to their working hours.</p> <p>Responsible parties: MBIE.</p>	<p>Pro-rating sick leave allows it to accrue as an employee's tenure progresses, ensuring a fairer distribution of leave based on actual work hours. Note: sick leave arrangements are being considered as part of the Holidays Act review.</p>

Skills and Training

New Zealand’s hospitality industry faces the challenge of becoming an industry of choice, necessitating the development of a robust skills pipeline to support more Kiwis in these roles, enhance productivity and profitability, and reduce reliance on migrant workers.

However, the current turbulence created by the Vocational Education and Training (VET) reform process further complicates these challenges, as the sector struggles with a lack of stability and effective outcomes for both learners and businesses. While government collaboration and marketing initiatives are underway, continuous professional development and innovation are crucial for sustainable growth for the industry.

The problem: A lack of clear career pathways into hospitality, with few relevant courses and limited accessible funding for skills certification courses.

The solution	The rationale
<p>Support Ringa Hora/relevant Standard Setting Body’s plan to develop a hub that shares resources, information and case studies of service sector excellence.</p> <p>Responsible parties: the Restaurant Association, Hospitality NZ and Ringa Hora/relevant Standard Setting Body.</p>	<p>Leveraging another key solution would also enhance the perception of the industry through the case studies included in the hub. This campaign aims to address common misconceptions and showcase success stories.</p>
<p>Establish pathways from secondary and higher education into employment in hospitality.</p> <p>Responsible parties: Ringa Hora/relevant Standard Setting Body, with support from Hospitality NZ and the Restaurant Association.</p>	<p>Clear pathways would provide students with a roadmap for career development, making it easier to transition from education to employment. These could be a resource across schools, tertiary providers and hospitality businesses.</p>
<p>Increase availability of scholarships for those enrolled in accredited hospitality courses.</p> <p>Responsible parties: the Restaurant Association, Hospitality NZ and tertiary providers.</p>	<p>Scholarships would make hospitality education more accessible to a wider range of students, particularly those from disadvantaged backgrounds. This would help attract more talent to the sector and support the development of a skilled workforce.</p>
<p>Introduce food education at entry and intermediate levels through the EATucation program.</p> <p>Responsible parties: Ministry of Education and NZQA, with support from Hospitality NZ and the Restaurant Association.</p>	<p>By shifting perceptions from a young age, this program aims to instil healthy eating habits and a better understanding of nutrition. Educating young people early can lead to long-term positive changes in dietary habits and overall health.</p>

The problem: A lack of clear career pathways into hospitality, with few relevant courses and limited accessible funding for skills certification courses.

The solution

The rationale

Review the current hospitality unit standards used in schools to ensure relevance and investigate extending their inclusion in the Base Scope of Assessment for Schools (BSAS) beyond their current level.

Responsible parties: NZQA, Ringa Hora/relevant Standard Setting Body, Ministry of Education, with support from the Restaurant Association and Hospitality NZ.

There are three hospitality domains on the BSAS at Level 1 and one at Level 2. Extending the level that schools have automatic right to assess would remove time and cost barriers for schools and enhance the credibility and value of hospitality courses, making them more appealing to students and parents. This would help prepare students for careers in hospitality.

The problem: The vocational education and training system in New Zealand is inefficient and fails to support a secure pipeline of skilled talent for the hospitality industry.

The solution

The rationale

Establish a structured framework for ongoing consultation between the hospitality industry and vocational education providers. This would include regular meetings, feedback sessions, and the formation of industry advisory boards that consist of representatives from various sectors within hospitality.

Responsible parties: Ministry of Education, Ringa Hora/relevant Standard Setting Body, vocational education providers, Hospitality NZ and the Restaurant Association.

By actively involving industry stakeholders in the decision-making process, the VET system can be tailored to meet the specific needs of the hospitality sector. This collaboration will ensure that training programs are relevant, up-to-date, and aligned with industry standards, ultimately leading to better employment outcomes for graduates. Engaging with industry perspectives will also foster a sense of ownership and commitment to the training system among businesses.

Develop and implement flexible training models that incorporate blended learning approaches, allowing students to engage in both online and hands-on training. This would include offering micro-credentials and short courses that focus on specific skills relevant to the hospitality industry.

Responsible parties: Ministry of Education, Ringa Hora/relevant Standard Setting Body, vocational education providers, the Restaurant Association and Hospitality NZ.

Flexibility in training delivery is crucial for accommodating the diverse needs of learners and businesses in the hospitality sector. By providing options for blended learning, students can balance work and study, making education more accessible. Micro-credentials and short courses allow for quick upskilling, enabling workers to respond to immediate industry demands without the need for long-term commitments.

Hospitality and Tourism

Strengthening connections between tourism and hospitality policy and funding can help align support for the sector. Greater transparency in how funding is allocated will provide clarity, while boosting tourism will create more opportunities for the hospitality industry to thrive.

The problem: Unclear funding priorities, availability and sources across Tourism and Hospitality.	
The solution	The rationale
<p>Provide clear and accessible information on the allocation and expenditure of IVL funding.</p> <p>Responsible Parties: MBIE.</p>	<p>Transparency in the use of the IVL funds will build trust and accountability among stakeholders in the tourism and hospitality industry and can help to more effectively and efficiently distribute funding.</p>
<p>Rename funding sources to clearly indicate the inclusion of hospitality sector specific funding.</p> <p>Responsible Parties: MBIE.</p>	<p>There are several tourism funds that support hospitality whose names do not reflect this. Renaming these funds will better highlight their availability to the industry and emphasise the sector's importance.</p>
<p>Allocate a portion of the annual international tourism marketing budget to specifically highlight food and beverage tourism.</p> <p>Responsible Parties: Tourism New Zealand</p>	<p>Highlighting food and beverage tourism significantly enhances New Zealand's appeal as a travel destination. It increases visitor spending on hospitality and can extend the tourism season into off-peak times.</p>
<p>Invest in attracting business events, particularly during off-peak seasons, and in marketing New Zealand as an attractive option for international business events.</p> <p>Responsible Parties: relevant tourism agencies.</p>	<p>Business events can help fill hotels and restaurants during quieter periods, and will generally last longer than major events (e.g. one night sport matches or concerts). Business events also require less infrastructure development, so are an easy interim investment plan with a more sustainable impact.</p>
<p>Invest in bringing the Michelin guide to New Zealand, potentially entering negotiations with the Australian government to share the costs of initiating market entry.</p> <p>Responsible Parties: Tourism New Zealand, with support from the Restaurant Association.</p>	<p>Michelin has been travelling further afield of late to launch their inaugural country guides around the world, and bringing the Michelin guide to New Zealand would provide a significant boost to our food and beverage sector, and support the promotion of our culinary tourism offering as a country.</p>

The problem: Lack of oversight in the STRA and OTA sectors.

The solution	The rationale
<p>Encourage and support the collection of Short-Term Rental Accommodation (STRA) data, and use this data to inform and develop policy options that address needs and challenges within the STRA sector.</p> <p>Responsible Parties: MBIE, with support from Hospitality NZ.</p>	<p>This information can help policymakers understand trends, identify issues, and develop targeted policies that promote sustainable growth and address potential negative impacts in the short-term rental market.</p>
<p>Create a national register for short rental term accommodation.</p> <p>Responsible Parties: MBIE, with support from Hospitality NZ.</p>	<p>STRA operates largely as commercial accommodation but without the same compliance/regulatory requirements. Councils are unable to appropriately regulate these properties without an understanding of where they are.</p>
<p>Review how Online Travel Agencies operate and whether they are fair for accommodation businesses.</p> <p>Responsible Parties: Commerce Commission.</p>	<p>Rate parity clauses prevent smaller accommodation providers from offering lower prices than OTAs, and OTA commissions have increased dramatically over the past decade, rising from 10% to as much as 15–30%.</p>

Appendix 1: Relevant recommendations from Business New Zealand's Reducing Compliance Report (2024)

Relevant recommendations include:

- Pointing small businesses in the right direction: MBIE to provide information to small businesses regarding legal advice and support services options. This can help ensure that agreements are legally sound and reduce the risk of disputes.
- Rebalancing disputes process: Rebalance the dispute resolution system to ensure fair treatment of both employers and employees, and review penalty structures for proportionality. At the very least, a return to the focus on employers and employees coming to a solution is a priority.
- Rebalancing the burden between employers and employees: Better quality regulation regarding 'no win, no fee' advocates and introduction of a verification/requirement to ensure that they are an approved employment advocate who operates in accordance with good faith and sound process.
- Simplify Fringe Benefit Tax (FBT) rules: IRD to undertake a root and branch review of FBT policy in New Zealand, with the aim of providing clearer, more streamlined guidance on FBT - especially for small, non-cash benefits like gift vouchers.
- Scale fees based on business size: Ministry of Primary Industry examines a fee structure based on business turnover and/or size, ensuring that smaller businesses do not bear the same financial burden as larger corporations.
- Streamline compliance processes: MPI to simplify the risk management programme to allow for quicker approvals, especially for changes that are identified as minor where there is low-risk that an incident will occur.

The full Business New Zealand report is available at:

businessnz.org.nz/wp-content/uploads/2024/10/BusinessNZ-Reducing-Compliance-Burden-on-New-Zealand-Small-Businesses-Report.pdf