

28 July 2020

Rt Hon Jacinda Ardern
Prime Minister

Hon Grant Robertson
Minister of Finance

Kia ora

Saving jobs and businesses

Congratulations on the ongoing success of the measures to protect Aotearoa from the COVID-19 pandemic. For many New Zealanders – but not all - life is almost back to normal, something that few other countries can claim.

More domestic economic activity is occurring. However, there've been significant job losses and some business closures. For good reasons, our border remains closed to almost everyone except returning New Zealanders. Government support, which has been substantial and welcome, now needs to focus on those businesses and jobs directly impacted by ongoing border restrictions.

The tourism, travel, aviation, hospitality and event sectors are all suffering and will need a supportive Government partner for the foreseeable future. To quote the Minister of Finance from Q&A on 18 May, the Government intends to "support viable but vulnerable businesses".

The most financially significant measure for our sectors has been the Wage Subsidy. Almost every business in our sectors took up the first 12-week wage subsidy and most also applied for the 8-week extension. A recent survey by Tourism Industry Aotearoa shows that a third of tourism businesses are planning further layoffs from August as the subsidy ends.

Australia has announced a targeted extension of its JobKeeper programme until March 2021. To quote Australia's Tourism and Transport Forum:

"The Government has heard the voice of our industry loud and clear about the critical need to continue JobKeeper in place as an economic lifeline. From accommodation providers, airlines, airports and cruising through to tourism operators, major and business events, performing arts centres and restaurants and cafes, the announcement gives our industry critical breathing space. JobKeeper 2.0 will help to save thousands more of our tourism employees from the unemployment queue and in jobs so that when we eventually come out the other side of COVID-19, we will be ready to move swiftly into the recovery phase."

We accept that not every business will survive this crisis, not every job can be saved. But well targeted Government support can limit the damage and give us something to rebuild from. Prime Minister, as you have stated (Facebook Live, 19 May) "New Zealand has had a thriving tourism industry before and we will again, it is just the support we [need to] give each other through that pathway before we can get back to that level".

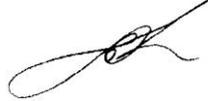
Thousands of vulnerable workers remain desperately worried about their futures. If there is to be no targeted wage subsidy extension, please signal as soon as possible what form ongoing Government support for our devastated sectors will take. With Government as a genuine partner we will survive this crisis and be able to welcome back visitors when the time is right.

Ngā mihi nui



Cc:
Minister of Tourism Hon Kelvin Davis
Minister of Maori Development Hon Nanaia Mahuta
Minister of Conservation Hon Eugenie Sage
Minister of Economic Development Hon Phil Twyford
Under Secretary of Regional Development Fletcher Tabuteau

This letter is supported by the following industry associations:

  <p>Kevin Ward Chief Executive NZ Airports Association</p>	  <p>Chris Sturgeon Chairman Luxury Lodges of NZ</p>
  <p>Lisa Hopkins Chief Executive Conventions & Incentives NZ</p>	  <p>Marisa Bidois Chief Executive Restaurant Association of NZ</p>
  <p>Andrew Olsen Chief Executive Travel Agents' Association of NZ</p>	  <p>Fergus Brown Chief Executive Holiday Parks New Zealand</p>
  <p>Pim Borren Chief Executive Rental Vehicle Association</p>	  <p>Pim Borren Chief Executive Bus & Coach Association NZ</p>
  <p>Keith Parker Chairman Entertainment Venues Association of NZ</p>	  <p>Lynda Keene Chief Executive Tourism Export Council of NZ</p>
  <p>Donna Brooke President Bed & Breakfast Association NZ</p>	  <p>Miles Davidson Manager Ski Areas Association NZ</p>
  <p>Serge Bonnafaux President NZ Professional Fishing Guides Association</p>	  <p>Julie White Chief Executive Hospitality New Zealand</p>
  <p>Vicki Cooksley President Entertainment Technology NZ</p>	  <p>Mark Wells Chief Executive Youth Hostels Association NZ</p>
 <p>Kevin O'Sullivan Chief Executive NZ Cruise Association</p> 	