



MEDIA RELEASE  
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## **RETAILERS UNDER COVID-19 PRESSURE AS RETAIL NZ WELCOMES GOVERNMENT SUPPORT ANNOUNCEMENT**

Retail NZ says that the retail sector is under immense pressure as a result of the Covid-19 Coronavirus outbreak, and that it welcomes today's announcement of a Business Continuity Package by the Government.

“A survey of Retail NZ members shows that there are significant issues in the sector at present, as tourist numbers plummet and New Zealand consumers stop spending in response to the Covid-19 outbreak,” Retail NZ Chief Executive Greg Harford said today. “The impacts have been getting substantially worse over the last few weeks, and the impacts are being felt by both small and larger firms - and not just those serving the tourist market.

“Our survey of members shows that around 60 per cent of respondents report that they have been negatively impacted by the current situation. Foot traffic is typically down right around the country. On average, in-store sales are down around 15 per cent, while online sales are down by nearly 10 per cent, but some individual firms have been significantly worse hit and are facing extremely difficult trading conditions.

“Of affected firms, around 70 per cent expect to have cashflow difficulties as a result of the Covid-19 situation, 30 per cent have already reduced staff hours, and half expect to make further reductions in coming weeks. 16 per cent of affected firms say they have reduced staff numbers, and 20 per cent expect to cut employee numbers further over coming weeks.

“In this context, Retail NZ welcomes today's announcement by Finance Minister Grant Robertson that the Government will be introducing a package of support for affected businesses. Retail NZ is keen to see the detail, and while not all retailers are seeing the impact of Covid-19 yet, a large number are seriously affected and will be very keen to see a support package roll out in the short-term. We are particularly pleased to see a temporary wage subsidy being proposed as one way of mitigating the impacts of a significant decline in business volumes.

“Retail NZ looks forward to engaging further with Minister Robertson and the Government on this issue in the coming days.”

### **For further information, please contact:**

Greg Harford  
Chief Executive | Retail NZ  
[greg.harford@retail.kiwi](mailto:greg.harford@retail.kiwi)  
027 243 2842