



MEDIA RELEASE  
9 June 2020

## **PLEASE BE KIND TO BUSINESS - RETAIL NZ URGES PM**

Retail NZ is calling for the Prime Minister to be kind, after reports that she is 'angry' that the Warehouse Group is undertaking a change process that could result in a substantial number of job losses.

"Retail NZ has been advising Government for months that larger retail chains are not immune from the impacts of the COVID-19 and we have been forecasting substantial numbers of job losses across the sector, and the Prime Minister should not be angry that businesses are acting to reduce costs and create sustainable futures," Greg Harford, Retail NZ Chief Executive, said today.

"Retailers greatly appreciate the support that the Government has provided to the retail sector in recent months - but the margins in retail are wafer-thin. New Zealand businesses, both large and small are doing their best to manage the consequences of the lockdowns, and they are needing to make very tough decisions. Recently, a number of small and high-profile retailers have found themselves in a position where they need to close stores and reduce headcount in order to remain viable into the future. Retail NZ research suggests that more change and more job losses are expected in the coming period, across both small and large businesses.

"There is a misconception that larger businesses are able to incur big losses - but the fundamentals of operating a business are the same whether your business is large or small. Nobody in retail wants to make people redundant or close stores, but no matter the size of a business, it needs to make operational decisions to drive efficiency and productivity in order to survive. Failing to do so will ultimately lead to the demise of those businesses, and much greater numbers of job losses.

"The best thing Government can do to help retain and grow jobs is deliver strong economic stimulus and improved consumer confidence. This could be done through reduced income tax, removing or reducing GST, or through helicopter payments to all citizens. What's important is that customers are willing and able to get out and support local businesses, to help keep jobs in local communities and keep shopping areas alive".

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

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