



MEDIA RELEASE

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Business and industry groups present united front on commercial leases - request support to bring landlords to the negotiating table

Eight industry groups representing business have joined forces to call on the Government to urgently increase protection for commercial tenants in the face of rents that are now completely unaffordable under the COVID-19 lockdown and now pose a serious threat of causing business failures and job losses.

The business groups are asking for:

- An immediate six-month moratorium on lease cancellations and debt recovery action by landlords for commercial tenants whose businesses are eligible for the Wage Subsidy.
- A mandatory code of conduct for commercial leasing to be created as soon as possible that sets a level playing field in landlord and tenant negotiations for fair and proportionate relief from rents linked to turnover.

Speaking on behalf of the group of eight, Greg Harford of Retail NZ said the risk of eviction is now a part of everyday life for thousands of New Zealand small business employers.

“Nearly four weeks into Level 4, and with at least three more weeks of trading restrictions ahead, many thousands of small businesses are now at risk of closure and job losses unless the Government acts urgently to require commercial landlords to come to the party.

“We applaud the government for its response to COVID-19 which gives New Zealand the best possible chance of recovery. The Wage Subsidy is a genuine lifeline which will preserve businesses and protect jobs while other significant measures are keeping the lights on in the economy.

“But without action on rent and leasing costs, all of this could be brought to nothing: many businesses are facing possible eviction and costs. If nothing is done, the effect will be to drive businesses from their operating locations, impacting jobs and communities for many years to come.

“Short term action on commercial tenancies is the missing piece of the COVID-19 response jigsaw and could be the difference between an economy that is ready to go again and one that will be scrambling to make ends meet. Proportional relief from rent and outgoings is essential to saving many businesses. The Government has already moved to support commercial landlords by reinstating depreciation, and we would also encourage Ministers to look at other ways of supporting them if required.”

[Click here](#) to see the letter sent to Ministers.

For further information, please contact:

On behalf of all associations and business groups party to the letter:

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