



Client Bulletin February 2023

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I guess I should start this month's missive with a welcome to 2023. Doesn't seem that long ago that we were stressing about the Y2K bug and now here we are, 23 years later. For those of you too young to remember, the bug was essentially a "the sky is falling" event predicated on an expectation that computers worldwide would be unable to cope with the year 2000 due to recognition software that only identified the last 2 numbers in a year. The fear was that 2000 and 1900 would be indistinguishable to computer systems and all hell would break loose. The global spend to get ready for the catastrophe that never happened is estimated at \$600B. People panicked, food and water were stocked up and in some countries guns and ammo were in short supply. (guess where). Of course, the argument was that the problem got fixed before midnight on 31 December 1999 but here's the thing. Countries that did next to nothing to address the issue had no major dramas. If this is all sounding a bit familiar, then no surprise. The more things change, the more they stay the same.

Anyway, I trust you had a wonderful Christmas full of joyous moments and goodwill to your fellow man, woman, self-identifying other. Personally, I think Christmas is overrated. When I share this thought with the managing director, she tells me in no uncertain terms that I am a grumpy old bastard with a heart of coal. She may be right. I do like coal. No, that's wrong. I like reliable electricity, but I digress.

Christmas to me has lost all meaning in the hurly burly of rampant consumerism and an expectation that no matter what, one must be happy over the festive season. For many the prospect of spending time with family members they would prefer to avoid while feigning delight is not an uplifting one. In fact, I've been surprised by the number of people who seem genuinely relieved when Christmas is behind them. Maybe we need a referendum for a Christmas Voice. First item on the agenda, lets make it every 5 years.

Worst of all is the generic Christmas card. You know the one. It's always from some semi distant relative or acquaintance who you haven't heard from for a year. The card contains a folded A4 page typed in compressed font with all that has been going on in the sender's life. To no surprise they've had an amazing year, careers are on fire, they are more in love than ever, and little Jeremy has just been awarded the Nobel Prize in pre-school physics. Excuse me but I just don't care. Spare me the platitudes and maybe return a phone call once in a while. Even better, donate \$50 bucks to the Salvos in my name and save the postage stamp.

Of course, Christmas is following by the no less regrettable New Years Eve. Now, I need to tread lightly here. As a girl from Toowoomba, the managing director is a big fan of sparkly things and loud explosions so I diss the fireworks at my peril. But let's face it, the process is getting a bit tiresome. In the lead up to the big night we plan an appropriate function, viewing point for said pyrotechnics and sufficient beverages to ensue the first day of the New Year is spent in interminable suffering. Then, sometime in the 3 days before the event we make ourselves some promises. These inevitably include cutting back on the booze (ironic hey), improving our diets, exercising a bit and being a more kind and beautiful human being. It's all so predictable and it never lasts. Hell, it's day 20 of 2023 and already the veil of decency has slipped and I'm back to the cynical and at times vexatious person I've always been. Having said that I'm also day 20 into a total alcohol ban combined with a serious ramp up in exercise. I should be feeling great but all I know is I've discovered why New Years resolutions don't last. They are no fun!

But, as luck would have it, I greet this day with a spring in my step and a song in my heart. What has uplifted me from the melancholy of the post-Christmas blues you ask? Well, dear readers, I haven't had to wait for the end of 2023 to see one of my recent predictions come true. The queen is dead. No, not that Queen, I would never disrespect such an amazing woman. I'm talking about the queen of woke, the international princess of the virtue signal, the single-handed architect of the economic destruction of a wonderful country. With the electorate finally realizing that far left politics and hand wringing are no substitute for sound economic management, Jacinta Arden has quit as NZ prime minister. She says she's doesn't have enough fuel in the tank to continue. Yeah right. With the NZ economy on the brink of recession and no policy achievements of note the opinion polls had her gone for all money when the election comes up in October. So, rather than fight the good fight she quit. Nero would be proud.

If you think I appear to be exhibiting a certain schadenfreude in relation to these events nothing could be further from the truth. NZ is a magnificent country inhabited by people of genuine warmth and practicality. The mystery for me was how a politician with values so close to communism could claim power and then hold it. I always thought the outcomes of such a political abomination were worth following. How long could such an incompetent leader last before the electorate woke up, I wondered. Anyway, we have our answer and I think we have lessons for the Australian political scene. While our new Labour government has had a pretty strong start, they now seem to be wandering more and more into policy areas that grease the squeaky wheel rather than address the concerns of the great unwashed.



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I suspect given time, and if this trend continues, our economy will be brought to its knees before the incumbents are kicked out. Let's hope a focus on the basics happens, and soon.

By way of an example in respect of my concerns here's a little story that I doubt will brighten your day. We want to hire another staff member. Terrible problem to have but we can't seem to stop people borrowing money. Ha ha. Anyway, we place an ad on Seek and in come the applications. It soon becomes evident that 90% of them have absolutely no desire to be taken seriously. Those who appear genuine are contacted. Some simply don't respond. Some agree to interviews and don't turn up. What the hell! Then the penny drops. These people are just using us to tick a box on a social security form. Why work when the poor old taxpayers will prop you up. Common sense would suggest that it might be worth pulling back on incentives not to work and encouraging these people back into the workforce. But no, as recently as this week our government has suggested that current payments to dole bludgers are not keeping up with cost of living and we need to think about giving them more.

Something's gotta give !

Let me finish on a happy note.

The numbers coming out of some of our resort-based management rights clients over the Xmas / New Year period were staggering. Record occupancies in excess of 90% and ADRs over \$1,000. Some of these businesses have been hitting new records month in, month out and one might ask, has something gotta give? I think not.

I reckon the Australian tourism industry is a unicorn and will continue to defy global trends. Yes, we are a long way from anywhere (other than NZ of course) but I can't see domestic tourism faltering and exchange rates are making the Oz adventure pretty compelling for foreign travellers. Of course, there are unicorns and then there are the rarer beasts, That's the unicorn with it's single horn decorated with flowers and a stunning girl, bloke, finance broker on it's back. Your best bet for spotting this elusive equine is Byron Bay, Hastings Steet Noosa, Port Douglas on the right day, Margaret River, Burleigh Heads and pretty much any day on Sydney Harbour. These, and others, are the places people will pay whatever it takes to be there.

For our premier tourism hot spots, nothings gonna give !

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