Survey Shows New York’s Restaurant Industry Still Crushed by COVID-19; State’s Decline Continues to Outpace National Averages

80% of workforce has been laid off or furloughed since March

ALBANY – For the second straight month of reporting since the nationwide outbreak of COVID-19, New York State restaurants are among the hardest hit in the country. Results from a survey released by the New York State Restaurant Association and conducted by the National Restaurant Association paint an especially grim picture in the Empire State.

“It goes without saying that this has been the most difficult two months the industry has seen in generations. This pandemic was more like a tsunami, with little to no time to prepare. The restaurant industry is teetering on the edge of collapse. Those that are staying open for takeout and delivery can hopefully tread water long enough to remain viable in the long run. For those that are temporarily closed, we all hope that the public health data continues to improve so that the economy can reopen enough to support them,” said Melissa Fleischut, President & CEO of the New York State Restaurant Association.

The nationwide survey reached more than 6,500 restaurant operators, including 550 in New York, and was conducted April 10-16. Here are some of the findings:

- Nationwide, the food service industry will lose more than $50 billion in sales in the month of April.
  - In New York, the food service industry will lose $3.6 billion in sales in April.

- Nationwide, more than eight million employees have been laid off or furloughed since the beginning of the COVID-19 outbreak – this represents a 66% reduction in staff from 12 million employees in February 2020.
  - In New York, more than 527,000 restaurant employees have been laid off or furloughed, which equates to 80 percent of the 659,500 employees that were working at New York’s eating and drinking establishments in February.
  - 93% of New York restaurant operators have been forced to lay off or furlough employees since the outbreak

- In New York, operators report a 79% decline in sales from April 1 to April 10 when compared to last year
• In New York, 51% of operators will continue operating for takeout and delivery only, and the remaining 49% of operators say they will temporarily close their restaurants for the next 30 days or more.

• 97% of restaurant operators report their sales are down compared to last year.

• Four percent of New York operators have permanently closed their restaurants since the outbreak, while seven percent expect to permanently close their doors in the next 30 days.

The New York State Restaurant Association continues to work with and urge elected officials at the federal, state and local levels to advocate for sustainability for the industry. While weathering the current storm is a particular challenge for our industry, a clear and dedicated restoration plan emphasizing the huge role the restaurant industry plays in our state’s economy is critical to restoring these jobs when the economy reopens.

“We are committed to working with our members to share best practices and cost savings opportunities as many are doing their best in this bad situation. That being said, there are still more questions than answers. We urge officials at all levels of government to prioritize resources and create economic reopening policies that would restore our industry’s ability to bring back the half-million restaurant employees that are currently out of work,” added Fleischut.

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