

Economic Business Survey

Research Findings Report for the:
Auckland Region

November 2014

Report purpose

This publication reports on the findings of a survey of members of The Auckland Chamber of Commerce. The survey took place between 10 – 12 November 2014 with a respondent base of 868 business owners, general managers and/or key decision-makers. The survey was undertaken by email and online completion of an internet survey. All figures are rounded to the nearest whole per cent.

Survey Respondents

Business Types

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Education and/or training	4%	4%	4%	2%	5%
Health community and/or personal services	3%	4%	3%	4%	2%
Import/Export	6%	7%	7%	6%	6%
Manufacturing	12%	12%	12%	10%	11%
Non-profit	2%	1%	1%	1%	2%
Primary products e.g. forestry	1%	1%	1%	1%	0%
Professional services	16%	14%	17%	15%	16%
Retail	5%	6%	6%	6%	7%
Service sector	9%	8%	8%	9%	8%
Technology/communications	9%	8%	9%	9%	10%
Tourism and/or hospitality	4%	6%	4%	4%	5%
Trades	6%	6%	5%	8%	6%
Transportation and utilities	3%	3%	4%	4%	3%
Wholesale/Distributor	11%	10%	10%	10%	9%
Other	10%	10%	10%	11%	10%

Respondents by employee number

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
1-5	43%	40%	44%	45%	42%
6-10	16%	18%	15%	16%	17%
11-20	14%	14%	13%	12%	12%
21-50	16%	13%	14%	13%	15%
51-100	5%	6%	5%	6%	5%
101-200	2%	3%	4%	2%	3%
201-500	2%	3%	3%	3%	3%
Over 500	3%	3%	2%	3%	5%

Do you believe that the general business situation in NEW ZEALAND will improve, remain the same or deteriorate during the next six months?

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Improve	61%	71%	63%	45%	48%
Same	35%	27%	32%	46%	44%
Deteriorate	4%	2%	5%	9%	8%
NA	0%	0%	0%	0%	1%

Do you believe that the general business situation in YOUR OWN BUSINESS will improve, remain the same or deteriorate during the next six months?

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Improve	63%	68%	63%	59%	58%
Same	31%	28%	31%	34%	34%
Deteriorate	6%	4%	7%	7%	8%
NA	0%	0%	0%	0%	0%

In general, do you find that getting the staff you want today is easier, the same, or harder than it was three months ago?

Skilled/Specialist	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Easier	7%	5%	8%	5%	6%
Same	41%	44%	40%	39%	42%
Harder	31%	32%	33%	34%	34%
NA	22%	19%	20%	22%	18%

Unskilled	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Easier	12%	11%	9%	9%	13%
Same	43%	44%	43%	45%	41%
Harder	6%	6%	9%	9%	9%
NA	39%	39%	38%	37%	37%

What single factor, if any, is most limiting your ability to expand your activities? Shortage of:

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Capacity	13%	17%	14%	13%	16%
Demand	41%	36%	36%	39%	36%
Finance	23%	22%	23%	20%	22%
Supplies	2%	4%	4%	3%	3%
Labour	10%	11%	9%	12%	10%
Other	11%	10%	14%	11%	13%

Of the **36%** of businesses that answered that demand was the most limiting factor to the ability of the business to expand, these businesses came from the following sectors in the following distributions:

Significant Categories	% answering demand Feb 14	% answering demand May 14	% answering demand Aug 14	% answering demand Nov 14	Difference in survey results Aug-Nov
Manufacturing	37%	39%	48%	54%	+6%
Professional Services	32%	32%	38%	43%	+5%
Service sector	35%	38%	45%	38%	-7%
Technology /communications	34%	25%	29%	33%	-4%
Trades	21%	17%	32%	26%	-6%
Wholesale /Distributor	55%	56%	43%	56%	+13

EMPLOYEE numbers answering demand followed by finance as the most limiting factor to the ability of the business to expand

<i>Significant Categories</i>	% answering demand Aug 14	% answering demand Nov 14	% answering finance Aug 14	% answering finance Nov 14
1-5	49%	37%	25%	25%
6 -10	34%	34%	29%	27%
11-20	48%	35%	23%	29%
21-50	37%	37%	18%	13%
51-100	47%	32%	16%	17%
101-200	50%	24%	13%	14%
201-500	47%	50%	5%	8%
Over 500	35%	38%	29%	15%

Do you expect interest rates charged on loans during the next twelve months to be greater, same, or less than those during the past twelve months?

	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Greater	63%	79%	87%	76%	38%
Same	30%	14%	8%	17%	48%
Less	2%	1%	1%	3%	9%
NA	5%	6%	3%	5%	4%

Do you expect the amount of new investment approved by your firm during the next twelve months to be greater, same, or less than those during the past twelve months?

Buildings	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Greater	18%	20%	19%	16%	19%
Same	35%	36%	36%	36%	34%
Less	11%	9%	9%	10%	12%
NA	37%	35%	36%	37%	35%

Machinery	Nov 13	Feb 14	May 14	Aug 14	Nov 14
Greater	28%	28%	30%	29%	26%
Same	38%	36%	40%	38%	38%
Less	10%	11%	10%	13%	12%
NA	24%	24%	20%	20%	24%

Excluding normal seasonal changes, what has been your firm's experience during the past three months and what changes do you expect during the next three months in respect of:

		PAST 3 MONTHS		NEXT 3 MONTHS		Deviation	
		Aug 14	Nov 14	Aug 14	Nov 14	PAST 3 MONTHS	NEXT 3 MONTHS
Number of FULL-TIME employees	Up	21%	23%	23%	24%	-2%	+1%
	Same	64%	57%	66%	64%	-7%	-2%
	Down	8%	11%	5%	5%	+3%	0%
	NA	7%	8%	7%	7%	+1%	0%
Number of PART-TIME employees	Up	16%	21%	18%	17%	+5%	-1%
	Same	58%	51%	56%	57%	-7%	+1%
	Down	6%	7%	5%	6%	+1%	+1%
	NA	20%	22%	20%	20%	+2%	0%
Total hours worked	Up	39%	42%	42%	39%	+3%	-3%
	Same	47%	45%	50%	49%	-2%	-1%
	Down	12%	11%	6%	10%	-1%	+4%
	NA	2%	2%	1%	2%	0%	+1%
Labour turnover	Up	15%	17%	7%	10%	+2%	+3%
	Same	51%	46%	59%	57%	-5%	-2%
	Down	8%	12%	9%	11%	+4%	+2%
	NA	26%	24%	25%	22%	-2%	-3%
Average costs	Up	44%	41%	39%	33%	-3%	-6%
	Same	49%	51%	55%	60%	+2%	+5%
	Down	5%	6%	4%	5%	+1%	+1%
	NA	2%	3%	1%	2%	+1%	+1%
Average selling prices	Up	20%	21%	22%	25%	+1%	+3%
	Same	59%	60%	64%	60%	+1%	-4%
	Down	17%	13%	10%	9%	-4%	-2%
	NA	4%	6%	4%	6%	-2%	+2%
Profitability	Up	28%	27%	39%	34%	-1%	-5%
	Same	39%	42%	40%	45%	+3%	+5%
	Down	31%	28%	19%	18%	-3%	-1%
	NA	3%	3%	2%	3%	0%	+1%
Sales in New Zealand	Up	35%	34%	43%	38%	-1%	-5%
	Same	39%	39%	40%	40%	0%	0%
	Down	17%	17%	9%	13%	0%	+4%
	NA	9%	10%	9%	10%	+1%	+1%
Export Sales	Up	14%	14%	16%	18%	0%	+2%
	Same	17%	19%	20%	19%	-2%	-1%
	Down	9%	8%	5%	6%	-1%	+1%
	NA	61%	60%	59%	57%	-1%	-2%