

Economic Business Survey

Research Findings Report for the:
Auckland Region

August 2015

Report purpose

This publication reports on the findings of a survey of members of The Auckland Chamber of Commerce. 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

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

Respondents by employee number

	Aug 14	Nov 14	Feb 15	May 15	Aug 15
1-5	45%	42%	46%	39%	40%
6-10	16%	17%	13%	19%	17%
11-20	12%	12%	14%	13%	14%
21-50	13%	15%	11%	13%	15%
51-100	6%	5%	6%	7%	6%
101-200	2%	3%	2%	3%	3%
201-500	3%	3%	4%	3%	3%
Over 500	3%	5%	4%	4%	2%

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

	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Improve	45%	48%	48%	37%	15%
Same	46%	44%	44%	50%	44%
Deteriorate	9%	8%	7%	13%	41%
NA	0%	1%	1%	0.5 %	0%

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

	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Improve	59%	58%	61%	54%	47%
Same	34%	34%	32%	36%	40%
Deteriorate	7%	8%	6%	9%	13%
NA	0%	0%	0%	1%	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	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Easier	5%	6%	5%	5%	6%
Same	39%	42%	44%	42%	42%
Harder	34%	34%	30%	33%	30%
NA	22%	18%	21%	21%	22%

Unskilled	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Easier	9%	13%	9%	10%	11%
Same	45%	41%	39%	43%	41%
Harder	9%	9%	10%	10%	10%
NA	37%	37%	43%	38%	38%

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

	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Capacity	13%	16%	20%	15%	15%
Demand	39%	36%	33%	35%	40%
Finance	20%	22%	20%	22%	18%
Supplies	3%	3%	4%	3%	3%
Labour	12%	10%	10%	11%	11%
Other	11%	13%	14%	14%	13%

Of the **39.7%** 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	% answering demand	% answering demand	% answering demand	Difference in survey results May-Aug
	Nov 14	Feb 15	May 15	Aug 15	
Manufacturing	54%	40%	48%	43%	-5
Professional Services	43%	26%	28%	32%	+4
Service sector	38%	31%	34%	29%	-5
Technology /communications	33%	24%	37%	35%	-2
Trades	26%	28%	24%	12%	-12
Wholesale /Distributor	56%	58%	51%	59%	+8

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 May 15	% answering demand Aug 15	% answering finance May 15	% answering finance Aug 15
1-5	34%	42%	24%	22%
6 -10	40%	46%	17%	15%
11-20	28%	38%	25%	15%
21-50	39%	35%	17%	17%
51-100	32%	38%	22%	7%
101-200	31%	25%	25%	19%
201-500	21%	42%	11%	17%
Over 500	40%	13%	25%	38%

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?

	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Greater	76%	38%	12%	13%	6%
Same	17%	48%	49%	48%	27%
Less	3%	9%	33%	32%	63%
NA	5%	4%	6%	7%	5%

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	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Greater	16%	19%	17%	19%	16%
Same	36%	34%	31%	33%	30%
Less	10%	12%	10%	11%	12%
NA	37%	35%	30%	38%	42%

Machinery	Aug 14	Nov 14	Feb 15	May 15	Aug 15
Greater	29%	26%	30%	28%	27%
Same	38%	38%	33%	35%	37%
Less	13%	12%	14%	12%	14%
NA	20%	24%	23%	25%	23%

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	
		May 15	Aug 15	May 15	Aug 15	PAST 3 MONTHS	NEXT 3 MONTHS
Number of FULL-TIME employees	Up	25%	22%	22%	17%	-3%	-5%
	Same	57%	60%	66%	70%	3%	4%
	Down	9%	9%	4%	5%	0%	1%
	NA	9%	9%	8%	9%	0%	1%
Number of PART-TIME employees	Up	18%	17%	21%	19%	-1%	-2%
	Same	53%	53%	53%	55%	0%	2%
	Down	6%	8%	6%	6%	2%	0%
	NA	23%	23%	21%	21%	0%	0%
Total hours worked	Up	43%	43%	41%	38%	0%	-3%
	Same	44%	42%	50%	53%	-2%	3%
	Down	9%	15%	7%	7%	6%	0%
	NA	3%	1%	2%	1%	-2%	-1%
Labour turnover	Up	15%	12%	6%	8%	-3%	2%
	Same	47%	48%	59%	57%	1%	-2%
	Down	9%	10%	9%	9%	1%	0%
	NA	28%	30%	26%	27%	2%	1%
Average costs	Up	41%	47%	34%	40%	6%	6%
	Same	51%	47%	59%	55%	-4%	-4%
	Down	6%	5%	5%	3%	-1%	-2%
	NA	3%	2%	2%	1%	-1%	-1%
Average selling prices	Up	20%	21%	21%	24%	1%	3%
	Same	64%	61%	66%	61%	-3%	-5%
	Down	12%	14%	9%	12%	2%	3%
	NA	4%	4%	4%	3%	0%	-1%
Profitability	Up	27%	28%	39%	33%	1%	-6%
	Same	44%	36%	41%	41%	-8%	0%
	Down	26%	35%	17%	26%	9%	9%
	NA	3%	2%	3%	1%	-1%	-2%
Sales in New Zealand	Up	33%	33%	42%	36%	0%	-6%
	Same	44%	39%	39%	44%	-5%	5%
	Down	14%	22%	12%	14%	8%	2%
	NA	8%	6%	8%	6%	-2%	-2%
Export Sales	Up	15%	16%	18%	19%	1%	1%
	Same	19%	20%	19%	22%	1%	3%
	Down	7%	8%	6%	4%	1%	-2%
	NA	58%	56%	57%	55%	-2%	-2%

The Trans Pacific Partnership involves five of NZ's ten largest trading partners and covers 42% of our total exports. Overall, do you think the TPP would be good for New Zealand?

Yes: 49%

No: 20%

Undecided: 31%