

Economic Business Survey

Research Findings Report for the:
Auckland Region

August 2012

Report purpose

This publication reports on the findings of a survey of members of The Auckland Chamber of Commerce. The survey took place between 13 – 15 August 2012 from a respondent base of 935 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

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

Respondents by employee number

	Aug 11	Nov 11	Feb 12	May 12	Aug 12
1-5	46%	52%	50%	51%	51%
6-10	16%	16%	19%	17%	18%
11-20	15%	12%	11%	11%	13%
21-50	11%	9%	10%	10%	10%
51-100	5%	6%	5%	5%	5%
101-200	3%	2%	2%	3%	2%
201-500	2%	2%	2%	1%	1%
Over 500	1%	1%	1%	2%	1%

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

	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Improve	39%	32%	36%	29%	30%
Same	47%	50%	50%	53%	56%
Deteriorate	13%	18%	14%	17%	14%
NA	0%	0%	0%	0%	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 11	Nov 11	Feb 12	May 12	Aug 12
Improve	53%	52%	52%	48%	49%
Same	37%	38%	38%	41%	41%
Deteriorate	10%	10%	10%	11%	10%
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	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Easier	9%	13%	10%	11%	11%
Same	45%	42%	45%	42%	43%
Harder	20%	20%	23%	22%	24%
NA	26%	25%	22%	25%	23%
Unskilled	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Easier	17%	18%	19%	20%	20%
Same	36%	35%	41%	35%	38%
Harder	4%	3%	3%	4%	5%
NA	43%	43%	37%	41%	38%

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

	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Capacity	7%	10%	10%	11%	10%
Demand	52%	50%	49%	51%	50%
Finance	23%	23%	25%	21%	24%
Supplies	3%	6%	2%	2%	2%
Labour	5%	2%	5%	5%	5%
Other	10%	9%	9%	10%	9%

Of the **50%** 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:

<i>Significant Categories</i>	% answering demand	% answering demand	% answering demand	% answering demand	Difference in survey results, Nov vs Feb
	Nov 11	Feb 12	May 12	Aug 12	
Manufacturing	62%	61%	55%	58%	+3%
Professional Services	51%	53%	50%	49%	-1%
Service sector	44%	48%	47%	42%	-5%
Technology /communications	40%	35%	43%	44%	+1%
Trades	65%	55%	67%	53%	-14%
Wholesale /Distributor	47%	55%	65%	70%	+5%

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 12	% answering demand Aug 12	% answering finance May 12	% answering finance Aug 12
1-5	50%	44%	24%	30%
6 -10	51%	53%	21%	21%
11-20	47%	56%	20%	21%
21-50	59%	56%	14%	13%
51-100	56%	70%	23%	12%
101-200	71%	41%	8%	12%
201-500	25%	85%	8%	15%
Over 500	54%	67%	23%	22%
N/A	0%	0%	0%	0%

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 11	Nov 11	Feb 12	May 12	Aug 12
Greater	54%	46%	30%	17%	17%
Same	38%	44%	61%	53%	68%
Less	4%	5%	4%	25%	11%
NA	5%	5%	5%	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

	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Greater	13%	13%	15%	14%	13%
Same	33%	31%	35%	33%	35%
Less	15%	14%	13%	12%	14%
NA	40%	42%	37%	41%	38%

Machinery

	Aug 11	Nov 11	Feb 12	May 12	Aug 12
Greater	23%	25%	27%	25%	21%
Same	35%	36%	39%	37%	39%
Less	18%	16%	15%	16%	16%
NA	24%	22%	19%	22%	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 12	Aug 12	May 12	Aug 12	PAST 3 MONTHS	NEXT 3 MONTHS
Number of FULL-TIME employees	Up	14%	14%	15%	14%	0	-1%
	Same	66%	64%	71%	73%	-2%	+2%
	Down	9%	13%	5%	6%	+4%	+1%
	NA	10%	9%	9%	8%	-1%	-1%
Number of PART-TIME employees	Up	14%	13%	14%	15%	-1%	+1%
	Same	53%	53%	55%	56%	0	+1%
	Down	8%	10%	8%	6%	+2%	-2%
	NA	25%	24%	23%	23%	-1%	0
Total hours worked	Up	33%	32%	34%	38%	-1%	+4%
	Same	50%	49%	53%	53%	-1%	0
	Down	15%	18%	11%	8%	+3%	-3%
	NA	2%	2%	2%	1%	0	-1%
Labour turnover	Up	11%	11%	7%	7%	0	0
	Same	48%	49%	58%	60%	+1%	+2%
	Down	12%	11%	9%	9%	-1%	0
	NA	30%	29%	26%	24%	-1%	-2%
Average costs	Up	45%	47%	39%	41%	+2%	+2%
	Same	47%	45%	54%	53%	-2%	-1%
	Down	6%	6%	6%	5%	0	-1%
	NA	1%	2%	1%	1%	+1%	0
Average selling prices	Up	14%	14%	20%	19%	0	-1%
	Same	64%	61%	62%	63%	-3%	+1%
	Down	18%	21%	14%	14%	+3%	0
	NA	4%	4%	4%	4%	0	0
Profitability	Up	21%	19%	29%	29%	-2%	0
	Same	38%	38%	43%	43%	0	0
	Down	39%	41%	27%	26%	+2%	-1%
	NA	2%	2%	2%	1%	0	-1%
Sales in New Zealand	Up	23%	24%	32%	34%	+1%	+2%
	Same	42%	45%	41%	45%	+3%	+4%
	Down	24%	23%	16%	13%	-1%	-3%
	NA	10%	8%	10%	8%	-2%	-2%
Export Sales	Up	13%	12%	16%	13%	-1%	-3%
	Same	16%	15%	16%	18%	-1%	+2%
	Down	8%	9%	6%	7%	+1%	+1%
	NA	64%	64%	63%	62%	0	-1%