

Economic Business Survey

Research Findings Report for the:
Auckland Region

May 2014

Report purpose

This publication reports on the findings of a survey of members of The Auckland Chamber of Commerce. The survey took place commencing in the week of 12 May with a respondent base of 609 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

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

Respondents by employee number

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

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

	May 13	Aug 13	Nov 13	Feb 14	May 14
Improve	56%	52%	61%	71%	63%
Same	39%	43%	35%	27%	32%
Deteriorate	6%	6%	4%	2%	5%
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?

	May 13	Aug 13	Nov 13	Feb 14	May 14
Improve	63%	60%	63%	68%	63%
Same	30%	34%	31%	28%	31%
Deteriorate	7%	6%	6%	4%	7%
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	May 13	Aug 13	Nov 13	Feb 14	May 14
Easier	8%	8%	7%	5%	8%
Same	45%	44%	41%	44%	40%
Harder	24%	29%	31%	32%	33%
NA	22%	19%	22%	19%	20%

Unskilled	May 13	Aug 13	Nov 13	Feb 14	May 14
Easier	16%	12%	12%	11%	9%
Same	39%	42%	43%	44%	43%
Harder	6%	6%	6%	6%	9%
NA	39%	39%	39%	39%	38%

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

	May 13	Aug 13	Nov 13	Feb 14	May 14
Capacity	12%	13%	13%	17%	14%
Demand	45%	44%	41%	36%	36%
Finance	24%	21%	23%	22%	23%
Supplies	2%	3%	2%	4%	4%
Labour	7%	8%	10%	11%	9%
Other	10%	10%	11%	10%	14%

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	% answering demand	% answering demand	% answering demand	Difference in survey results Feb-May
	Aug 13	Nov 13	Feb 14	May 14	
Manufacturing	53%	46%	37%	39%	2%
Professional Services	43%	43%	32%	32%	0%
Service sector	43%	38%	35%	38%	3%
Technology /communications	39%	35%	34%	25%	9%
Trades	43%	30%	21%	17%	4%
Wholesale /Distributor	53%	58%	55%	56%	1%

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	% answering demand	% answering finance	% answering finance
	Feb 14	May 14	Feb 14	Feb 14
1-5	35%	35%	29%	28%
6 -10	32%	41%	22%	27%
11-20	37%	44%	18%	19%
21-50	41%	36%	14%	10%
51-100	35%	26%	10%	16%
101-200	35%	26%	10%	30%
201-500	48%	44%	7%	6%
Over 500	29%	23%	25%	23%

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?

	May 13	Aug 13	Nov 13	Feb 14	May 14
Greater	27%	48%	63%	79%	87%
Same	63%	45%	30%	14%	8%
Less	5%	2%	2%	1%	1%
NA	5%	5%	5%	6%	3%

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	May 13	Aug 13	Nov 13	Feb 14	May 14
Greater	16%	16%	18%	20%	19%
Same	35%	37%	35%	36%	36%
Less	10%	12%	11%	9%	9%
NA	38%	34%	37%	35%	36%

Machinery	May 13	Aug 13	Nov 13	Feb 14	May 14
Greater	29%	30%	28%	28%	30%
Same	38%	37%	38%	36%	40%
Less	11%	13%	10%	11%	10%
NA	22%	20%	24%	24%	20%

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	
		Feb 14	May 14	Feb 14	May 14	PAST 3 MONTHS	NEXT 3 MONTHS
Number of FULL-TIME employees	Up	20%	24%	25%	22%	+4%	-3%
	Same	62%	60%	65%	66%	-2%	+1%
	Down	9%	8%	3%	6%	-1%	+3%
	NA	8%	8%	7%	7%	0%	0%
Number of PART-TIME employees	Up	19%	19%	19%	19%	0%	0%
	Same	51%	53%	55%	55%	+2%	0%
	Down	7%	7%	5%	8%	0%	+3%
	NA	23%	21%	21%	18%	-2%	-3%
Total hours worked	Up	41%	44%	44%	42%	-3%	-2%
	Same	45%	46%	49%	48%	+1%	-1%
	Down	10%	9%	5%	9%	-1%	+4%
	NA	3%	2%	2%	1%	-1%	-1%
Labour turnover	Up	13%	15%	10%	9%	+2%	-1%
	Same	53%	50%	62%	59%	-3%	-3%
	Down	9%	8%	7%	10%	-1%	+3%
	NA	25%	27%	21%	23%	+2%	+2%
Average costs	Up	40%	43%	39%	38%	+3%	-1%
	Same	54%	51%	55%	56%	-3%	+1%
	Down	4%	4%	4%	5%	0%	+1%
	NA	2%	3%	2%	1%	+1%	-1%
Average selling prices	Up	19%	18%	23%	23%	-1%	0%
	Same	62%	63%	66%	63%	+1%	-3%
	Down	14%	13%	8%	9%	-1%	+1%
	NA	5%	5%	4%	5%	0%	+1%
Profitability	Up	28%	30%	39%	39%	+2%	0%
	Same	42%	44%	43%	43%	+2%	0%
	Down	27%	23%	15%	16%	-4%	+1%
	NA	3%	3%	2%	2%	0%	0%
Sales in New Zealand	Up	38%	37%	48%	47%	-1%	-1%
	Same	39%	41%	38%	38%	+2%	0%
	Down	16%	13%	7%	7%	-3%	0%
	NA	8%	9%	7%	8%	+1%	+1%
Export Sales	Up	16%	13%	20%	17%	-3%	+3%
	Same	17%	17%	17%	16%	0%	-1%
	Down	7%	7%	4%	6%	0%	-2%
	NA	60%	63%	59%	61%	+3%	+2%