

# Economic Business Survey

Research Findings Report for the:  
Auckland Region

February 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 17- 19 February from a respondent base of 882 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

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

### Respondents by employee number

	Feb 13	May 13	Aug 13	Nov 13	Feb 14
1-5	46%	44%	44%	43%	40%
6-10	15%	17%	17%	16%	18%
11-20	14%	14%	13%	14%	14%
21-50	12%	12%	11%	16%	13%
51-100	5%	6%	6%	5%	6%
101-200	4%	3%	3%	2%	3%
201-500	2%	2%	3%	2%	3%
Over 500	2%	2%	3%	3%	3%

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

	Feb 13	May 13	Aug 13	Nov 13	Feb 14
Improve	47%	56%	52%	61%	71%
Same	43%	39%	43%	35%	27%
Deteriorate	10%	6%	6%	4%	2%
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?

	Feb 13	May 13	Aug 13	Nov 13	Feb 14
Improve	57%	63%	60%	63%	68%
Same	35%	30%	34%	31%	28%
Deteriorate	8%	7%	6%	6%	4%
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	Feb 13	May 13	Aug 13	Nov 13	Feb 14
Easier	10%	8%	8%	7%	5%
Same	43%	45%	44%	41%	44%
Harder	25%	24%	29%	31%	32%
NA	22%	22%	19%	22%	19%

  

Unskilled	Feb 13	May 13	Aug 13	Nov 13	Feb 14
Easier	16%	16%	12%	12%	11%
Same	37%	39%	42%	43%	44%
Harder	6%	6%	6%	6%	6%
NA	42%	39%	39%	39%	39%

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

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

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 May 13	% answering demand Aug 13	% answering demand Nov 13	% answering demand Feb 14	Difference in survey results Nov - Feb
Manufacturing	55%	53%	46%	37%	-9
Professional Services	42%	43%	43%	32%	-11
Service sector	42%	43%	38%	35%	-3
Technology /communications	35%	39%	35%	34%	-1
Trades	44%	43%	30%	21%	-9
Wholesale /Distributor	56%	53%	58%	55%	-3

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

<i>Significant Categories</i>	<b>% answering demand</b>	<b>% answering demand</b>	<b>% answering finance</b>	<b>% answering finance</b>
	<b>Nov 13</b>	<b>Feb 14</b>	<b>Nov 13</b>	<b>Feb 14</b>
1-5	38%	35%	28%	29%
6 -10	41%	32%	25%	22%
11-20	42%	37%	20%	18%
21-50	44%	41%	16%	14%
51-100	47%	35%	17%	10%
101-200	43%	35%	5%	10%
201-500	53%	48%	11%	7%
Over 500	44%	29%	16%	25%

**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?**

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	<b>Feb 13</b>	<b>May 13</b>	<b>Aug 13</b>	<b>Nov 13</b>	<b>Feb 14</b>
Greater	23%	27%	48%	63%	79%
Same	65%	63%	45%	30%	14%
Less	8%	5%	2%	2%	1%
NA	4%	5%	5%	5%	6%

**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?**

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**Buildings**

	<b>Feb 13</b>	<b>May 13</b>	<b>Aug 13</b>	<b>Nov 13</b>	<b>Feb 14</b>
Greater	16%	16%	16%	18%	20%
Same	33%	35%	37%	35%	36%
Less	13%	10%	12%	11%	9%
NA	38%	38%	34%	37%	35%

**Machinery**

	<b>Feb 13</b>	<b>May 13</b>	<b>Aug 13</b>	<b>Nov 13</b>	<b>Feb 14</b>
Greater	25%	29%	30%	28%	28%
Same	39%	38%	37%	38%	36%
Less	14%	11%	13%	10%	11%
NA	22%	22%	20%	24%	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	
		Nov 13	Feb 14	Nov 13	Feb 14	PAST 3 MONTHS	NEXT 3 MONTHS
Number of FULL-TIME employees	Up	18%	20%	21%	25%	+2%	+4%
	Same	63%	62%	67%	65%	-1%	-2%
	Down	10%	9%	5%	3%	-1%	-2%
	NA	9%	8%	7%	7%	-1%	0%
Number of PART-TIME employees	Up	18%	19%	17%	19%	+1%	+2%
	Same	52%	51%	55%	55%	-1%	0%
	Down	7%	7%	6%	5%	0%	-1%
	NA	23%	23%	22%	21%	0%	-1%
Total hours worked	Up	42%	41%	39%	44%	-1%	+5%
	Same	47%	45%	50%	49%	-2%	-1%
	Down	10%	10%	9%	5%	0%	-4%
	NA	2%	3%	2%	2%	+1%	0%
Labour turnover	Up	13%	13%	7%	10%	0%	+3%
	Same	53%	53%	62%	62%	0%	0%
	Down	6%	9%	7%	7%	+3%	0%
	NA	27%	25%	23%	21%	-2%	-2%
Average costs	Up	40%	40%	34%	39%	0%	+5%
	Same	53%	54%	60%	55%	+1%	-5%
	Down	5%	4%	4%	4%	-1%	0%
	NA	2%	2%	2%	2%	0%	0%
Average selling prices	Up	16%	19%	22%	23%	+3%	+1%
	Same	66%	62%	66%	66%	-4%	0%
	Down	13%	14%	8%	8%	+1%	0%
	NA	5%	5%	4%	4%	0%	0%
Profitability	Up	27%	28%	34%	39%	+1%	+5%
	Same	43%	42%	47%	43%	-1%	-4%
	Down	28%	27%	17%	15%	-1%	-2%
	NA	3%	3%	2%	2%	0%	0%
Sales in New Zealand	Up	33%	38%	41%	48%	+5%	+7%
	Same	40%	39%	41%	38%	-1%	-3%
	Down	17%	16%	9%	7%	-1%	-2%
	NA	10%	8%	9%	7%	-2%	-2%
Export Sales	Up	12%	16%	14%	20%	+4%	+6%
	Same	19%	17%	21%	17%	-2%	-4%
	Down	7%	7%	5%	4%	0%	-1%
	NA	62%	60%	60%	59%	-2%	-1%