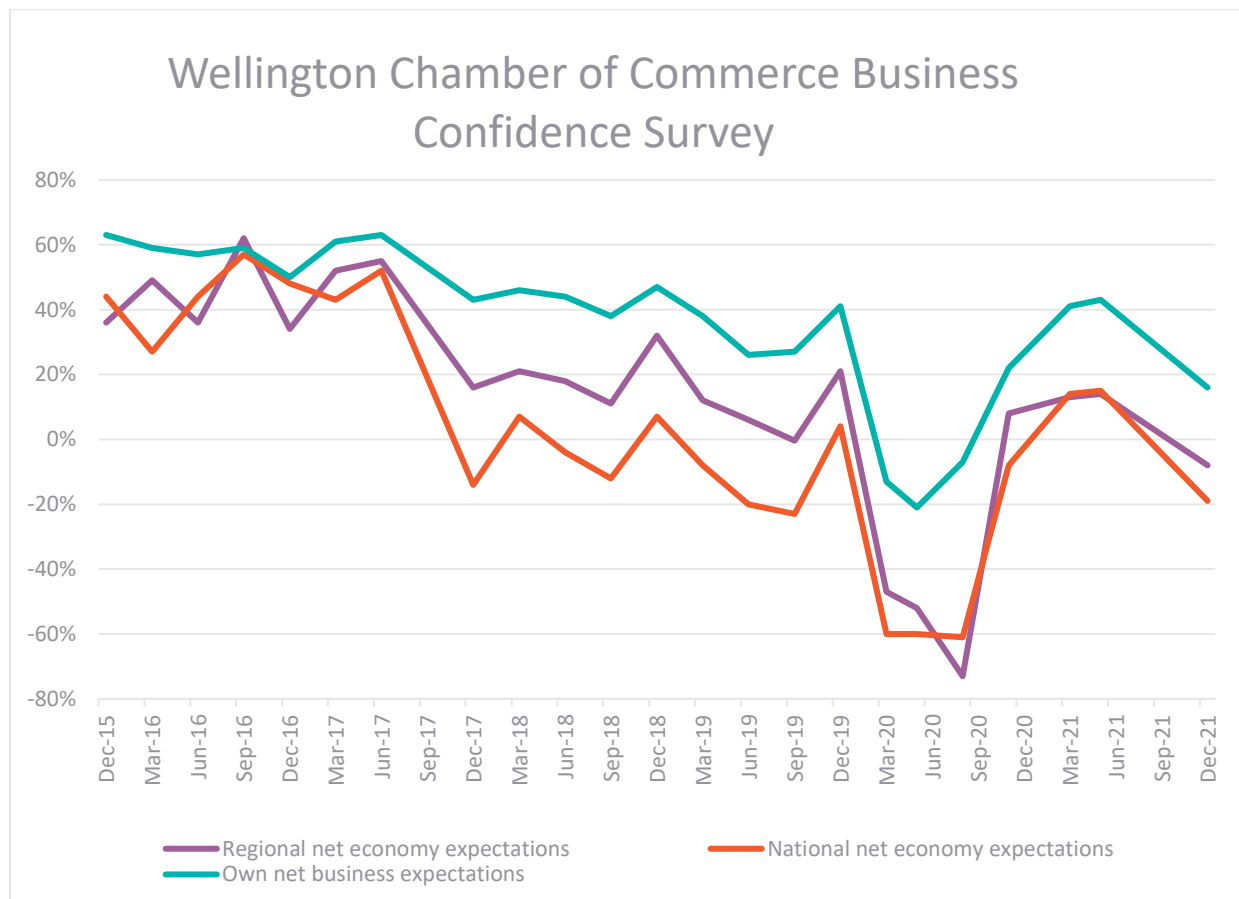


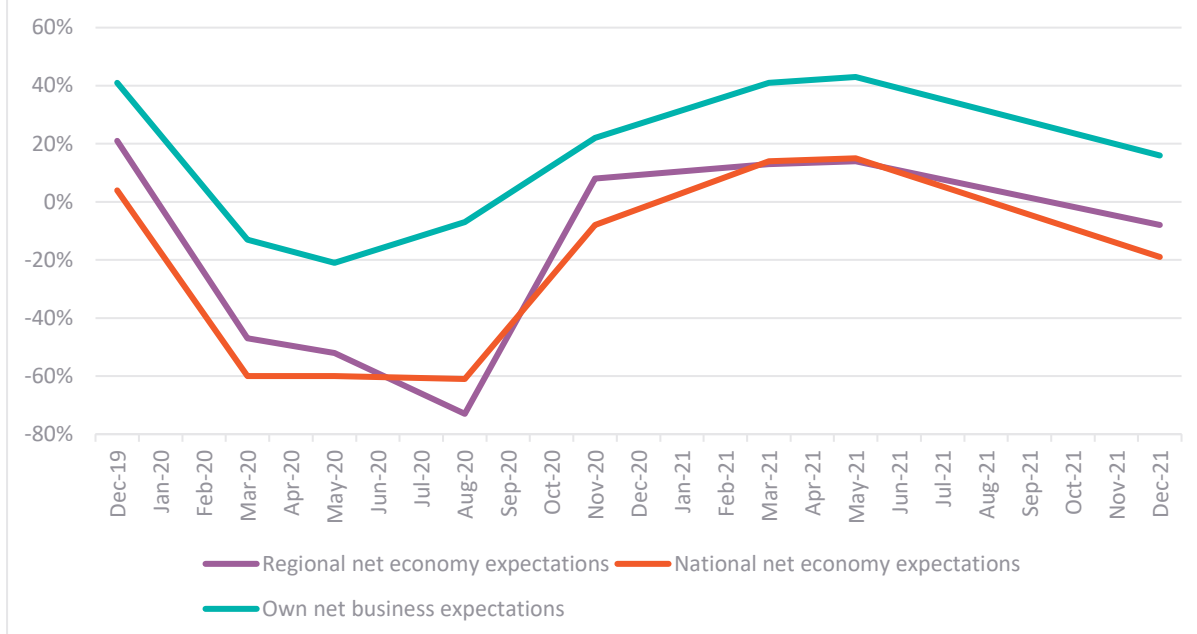
# CENTRAL NEW ZEALAND BUSINESS CONFIDENCE SURVEY: December 2021 Report

*From the Wellington Chamber of Commerce & Business Central*

## HEADLINE FIGURES: CONFIDENCE TRACKS DOWN AFTER AUGUST OUTBREAK



## Wellington Regional Chambers of Commerce & Business Central Business Confidence Survey



## BUSINESS DEMOGRAPHY

### BUSINESS SECTOR

<b>Agriculture, Forestry and Fishing</b>	4.39%
<b>Mining</b>	0.00%
<b>Manufacturing</b>	19.74%
<b>Electricity, Gas, Water and Waste Services</b>	2.63%
<b>Construction</b>	3.07%
<b>Wholesale Trade</b>	6.14%
<b>Retail Trade</b>	4.82%
<b>Accommodation and Food Services</b>	2.19%
<b>Transport, Postal and Warehousing</b>	3.95%
<b>Not for Profit</b>	4.39%
<b>Information Media and Telecommunications</b>	4.82%
<b>Financial and Insurance Services</b>	2.63%
<b>Rental, Hiring and Real Estate Services</b>	2.63%
<b>Professional, Scientific and Technical Services</b>	12.28%
<b>Administrative and Support Services</b>	0.88%
<b>Public Administration and Safety</b>	0.44%
<b>Education and Training</b>	3.95%
<b>Health Care and Social Assistance</b>	4.82%
<b>Arts and Recreation Services</b>	2.63%
<b>Information and Communications Technology</b>	5.70%
<b>Other (please specify)</b>	7.89%

## BUSINESS LOCATION

Wellington City	39.51%
Porirua	16.59%
Upper Hutt	4.88%
Lower Hutt	12.20%
Wairarapa	8.29%
Horowhenua	4.39%
Kapiti Coast	4.88%
Manawatu	13.66%
Whanganui	8.29%
Taranaki	6.83%
Gisborne	5.37%
Hawke's Bay	14.15%
Nelson/Tasman	4.39%
Other (please specify)	7.32%

## BUSINESS SIZE

Sole trader	4.78%
2-9	25.84%
10-19	12.44%
20-49	20.10%
50-99	11.96%
100-199	11.00%
200+	13.88%

## ECONOMIC AND BUSINESS OUTLOOK

**Q: What are your expectations of the New Zealand economy in 12 months' time?**

**Will it be:**

Substantially better	4.44%
Moderately better	23.56%
Same	25.33%
Moderately worse	36.00%
Substantially worse	10.67%

**December 2021:** net negative -18.67

**May 2021:** net positive 14.84%

**March 2021:** net positive 14.22%

**November 2020:** net negative 8.47%

**Q: What are your expectations of the regional economy in 12 months' time? Will it be:**

Substantially better	4.02%
Moderately better	25.00%
Same	33.48%
Moderately worse	31.70%
Substantially worse	5.80%

**December 2021:** net negative -8.38

**May 2021:** net positive 14.46%

**March 2021:** net positive 13.17%

**November 2020:** net positive 8.05%

**Q: In 12 months' time, do you expect your own business or organisation's situation to be:**

Substantially better	8.89%
Moderately better	33.78%
Same	31.11%
Moderately worse	20.89%
Substantially worse	5.33%
Not applicable	0.00%

**December 2021:** net positive +16.45%

**May 2021:** net positive 42.91%

**March 2021:** net positive 40.75%

**November 2020:** net positive 22.03%

**Q: In 12 months' time, do you expect your business or organisation's earnings to be:**

Substantially better	8.44%
Moderately better	34.22%
Same	28.00%
Moderately worse	23.56%
Substantially worse	4.89%
Not applicable	0.89%

**December 2021:** net positive 14.21%

**May 2021:** net positive 38.44%

**March 2021:** net positive 37.19%

**November 2020:** net positive 18.63%

**Q: Are you expecting investment in your business or organisation's equipment over the next 12 months to be:**

More	31.56%
Same	41.33%
Less	23.11%

**December 2021:** net positive +8.45%

**May 2021:** net positive 14.84%

**March 2021:** net positive 18.59%

**November 2020:** net positive 11.02%

**Q: What barriers or issues, if any, is your business or organisation currently facing?**

Labour/Skills Shortage	44.82%
Supply Chain Issues	23.15%
Government Policy Uncertainty	19.21%
Covid-19 Impact & Uncertainty	12.31%
Border Closure/MIQ	8.37%
Raw Material Shortages	7.38%
Price Rises	5.41%
Uncertainty - General	4.92%
Poor Infrastructure	2.46%
Access to Credit/ Bank Funding	1.97%
Other	5.91%

**Top Three:**

**Labour & Skills Shortage:** 45%

**Supply Chain Issues:** 23%

**Government Policy Uncertainty:** 19%

**Q: In your opinion, what barriers or issues, if any, are holding back the regional economy?**

Labour/Skills Shortage	33.33%
Government Policy Uncertainty	20.00%
Transport	15.38%
Supply Chain Issues/ Shortages	14.35%
Covid-19/Lockdown Uncertainty	13.84%
Border Closure/MIQ	9.74%
Poor Infrastructure	6.15%
Price Rises	5.64%
Housing	3.07%
Uncertainty - General	3.07%
CBD	2.56%
Other	4.61%

**Q: Do you find that getting staff you want is easier, the same or harder than it was 12 months ago?**

	Easier	Same	Harder
Skilled/specialist employees	1.55%	22.80%	75.65%
Unskilled to low skilled employees	2.30%	44.83%	52.87%

**Q: How are these skill shortages impacting your business? (Select all that apply)**

<b>Current staff workload increasing</b>	73.60%
<b>Additional stress on management</b>	70.22%
<b>Additional stress on staff</b>	61.80%
<b>Wellbeing concerns for staff</b>	51.12%
<b>Lower staff headcount than required</b>	46.63%
<b>Unable to meet customer demand</b>	42.70%
<b>Loss of productivity</b>	38.76%
<b>Turning down business opportunities</b>	34.27%
<b>Other (please specify)</b>	7.30%

**Q: Are you currently experiencing increased expectations for higher wage/salary levels from your staff?**

<b>Answer Choices</b>	<b>Responses</b>
<b>Yes</b>	78.24%
<b>No</b>	15.54%
<b>Not sure</b>	6.22%

## **THINKING ABOUT: COST PRESSURES**

**Q: Is it more or less difficult to source the required materials and/or products for your business than it was 12 months ago?**

<b>Much More Difficult</b>	30.37%
<b>More Difficult</b>	42.41%
<b>The Same</b>	25.13%
<b>Less Difficult</b>	0.52%
<b>Much Less Difficult</b>	0.00%
<b>Not sure</b>	1.57%

**Q: Have you had any indication or changes signalled from banks regarding the tightening of credit?**

<b>Answer Choices</b>	<b>Responses</b>
<b>Yes</b>	20.62%
<b>No</b>	61.86%
<b>Not sure</b>	17.53%