SOUTHLAND BUSINESS CHAMBER

BUSINESS CONFIDENCE SURVEY

Southland Region

- MAY 2022 -

Key Points

- Business confidence overall has significantly improved with 62.5% of respondents expecting that the general business situation in New Zealand will improve in the next 6 months, up from 0% last quarter. 25% of respondents consider the general business situation n NZ will deteriorate, down from 86% last quarter.

- The outlook on the respondents own businesses has also significantly improved with 62.5% of respondents expecting an improvement in their business, up from 14% last quarter.

- Businesses are continuing to struggle to find staff, with 100% finding it harder to find skilled/specialist staff, and 57% finding it harder to find unskilled staff than three months ago.

- For the first time Covid-19 border restrictions and Covid-19 level changes do not feature as the most common limiting factor for businesses to expand their activities. This quarter respondents highlighted both capacity and demand as the two single factors limiting their businesses ability to expand activities. Workplace space and compliance and regulation were also mentioned in the comments.

- 100% of respondents expect interest rates to go up in the next 12 months.

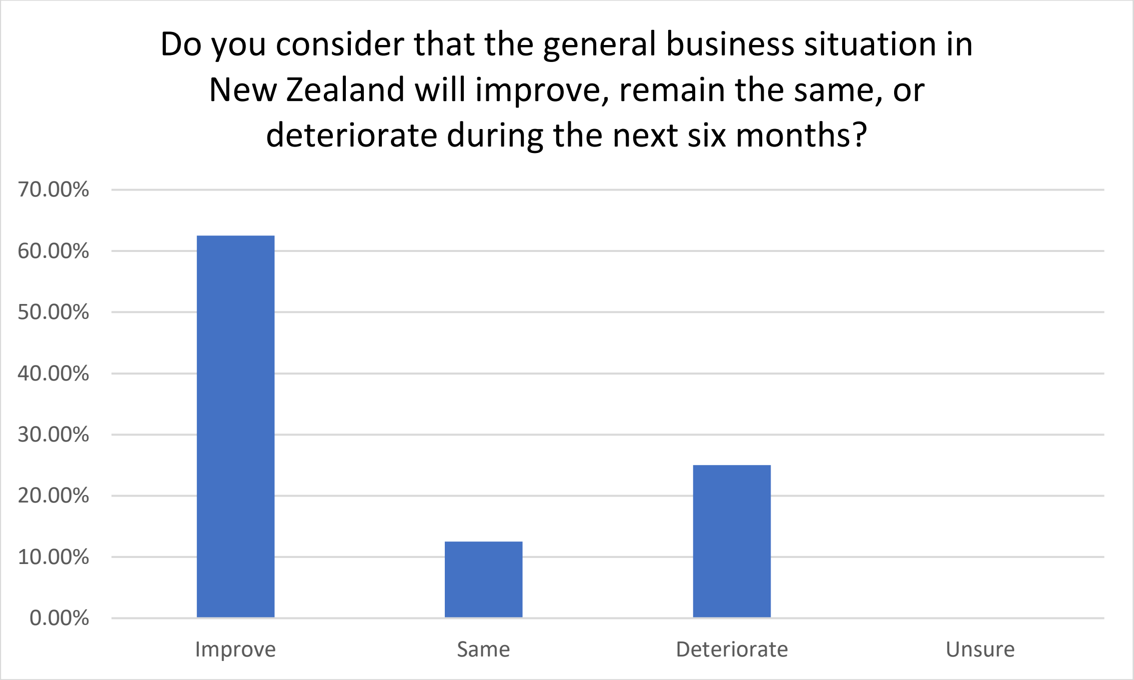
- 57% of respondents expect the level of investment in their business to go up over the next twelve months while 14% expect investment to be down. This is a turnaround from last quarter where 57% of respondents expected the level of investment in their business would be down.

- Average costs continue to be the major concern for businesses with 87.5% of respondents saying it has gone up over the past three months and the same percentage of respondents believing it will continue to go up over the quarter. Total hours worked is an area for concern.

- There are various factors affecting profit over the last six months including Covid-19 level changes, supply chain, interest rates and staff costs. Inflation continues to be highest area of concern for the next six months with 62.5% of respondents. This confirms the complex nature of the current business environment.

Summary of Results

Question 1



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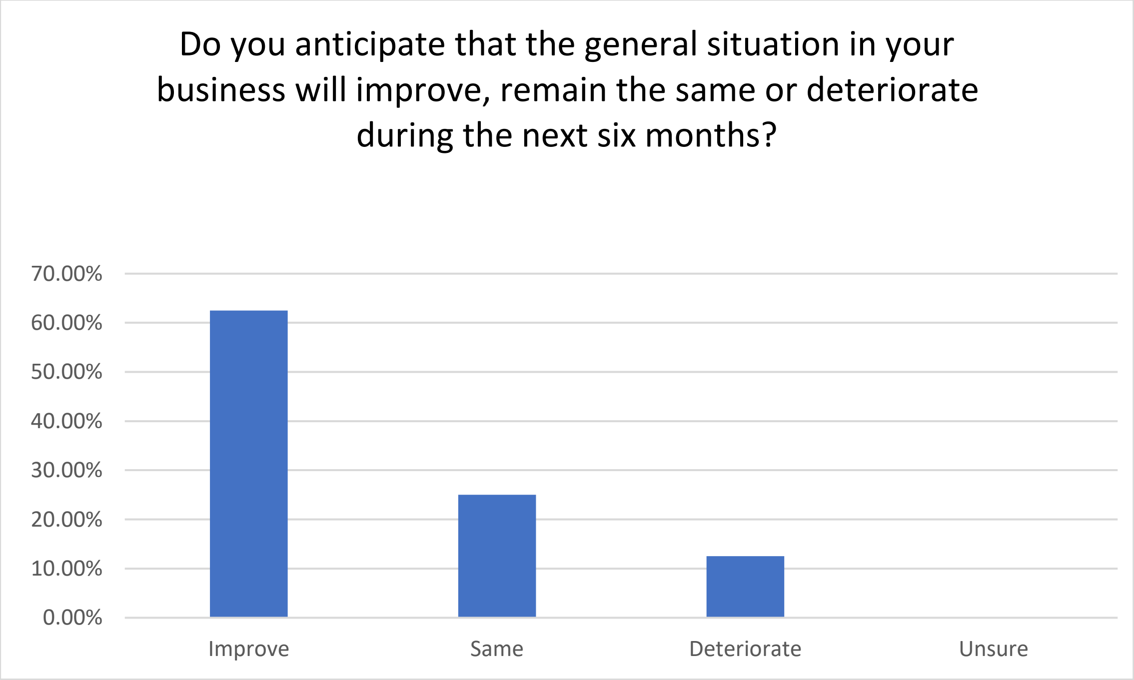

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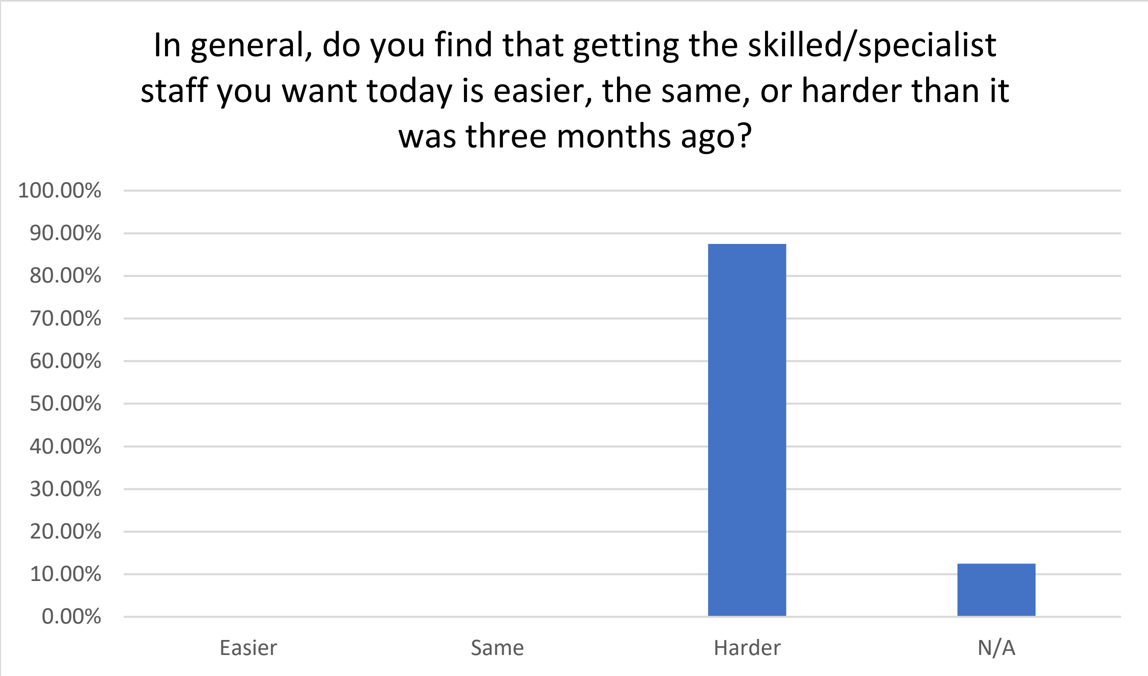

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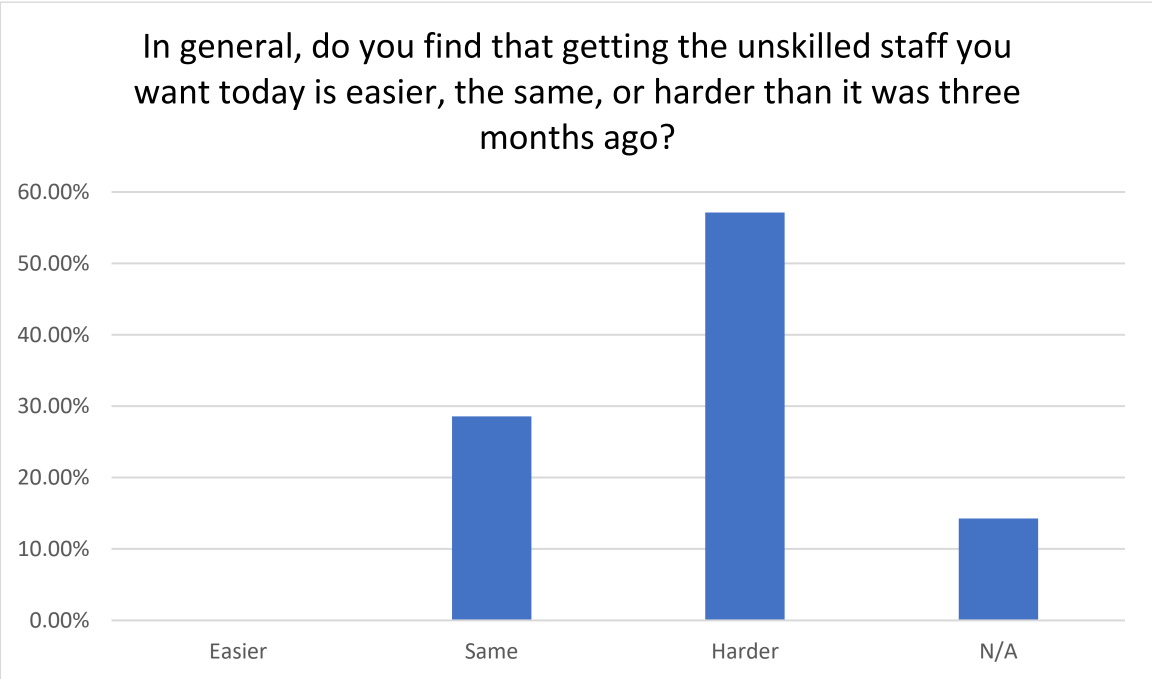

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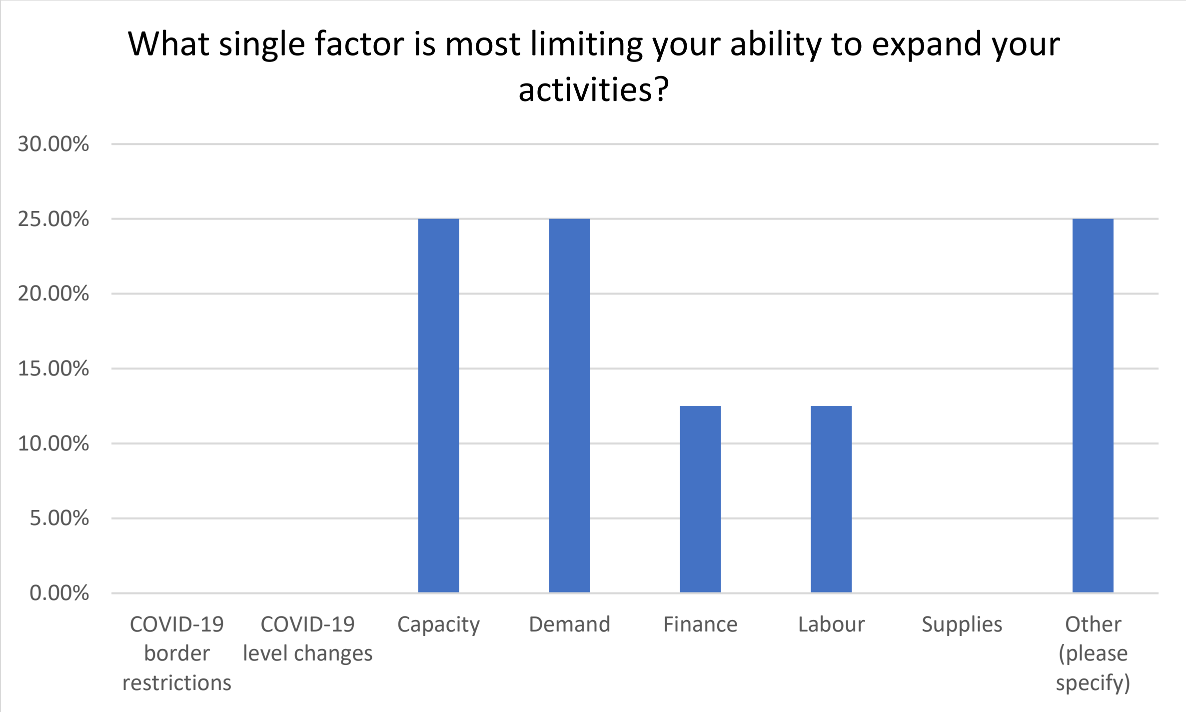

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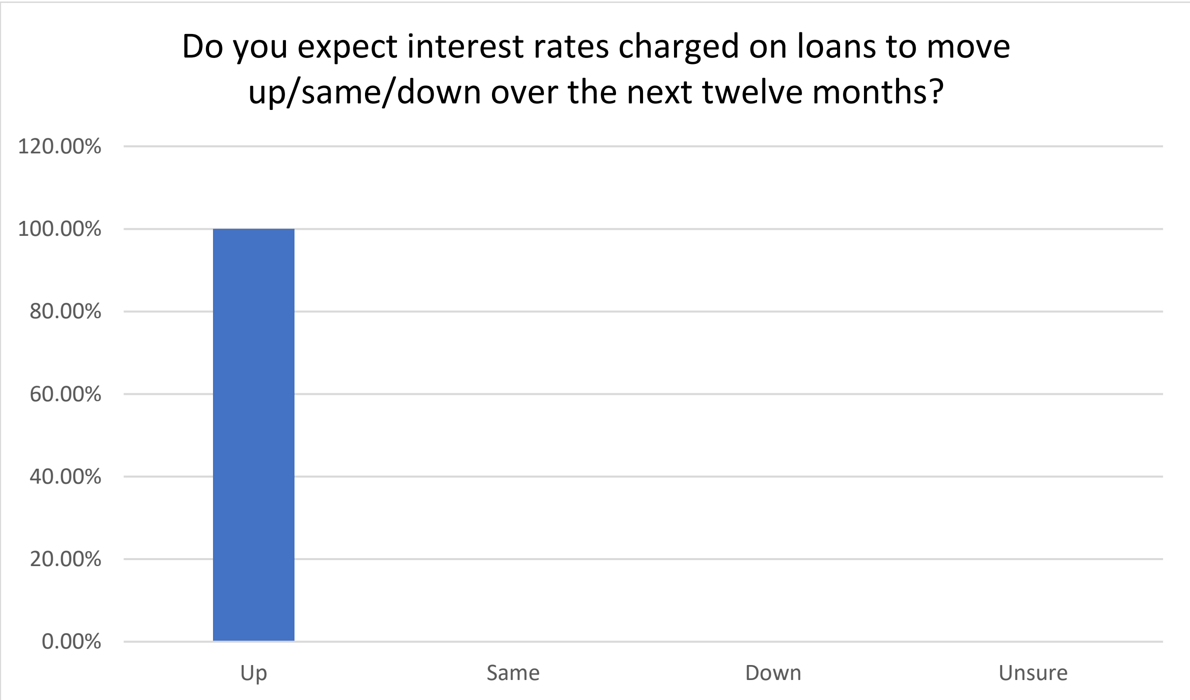

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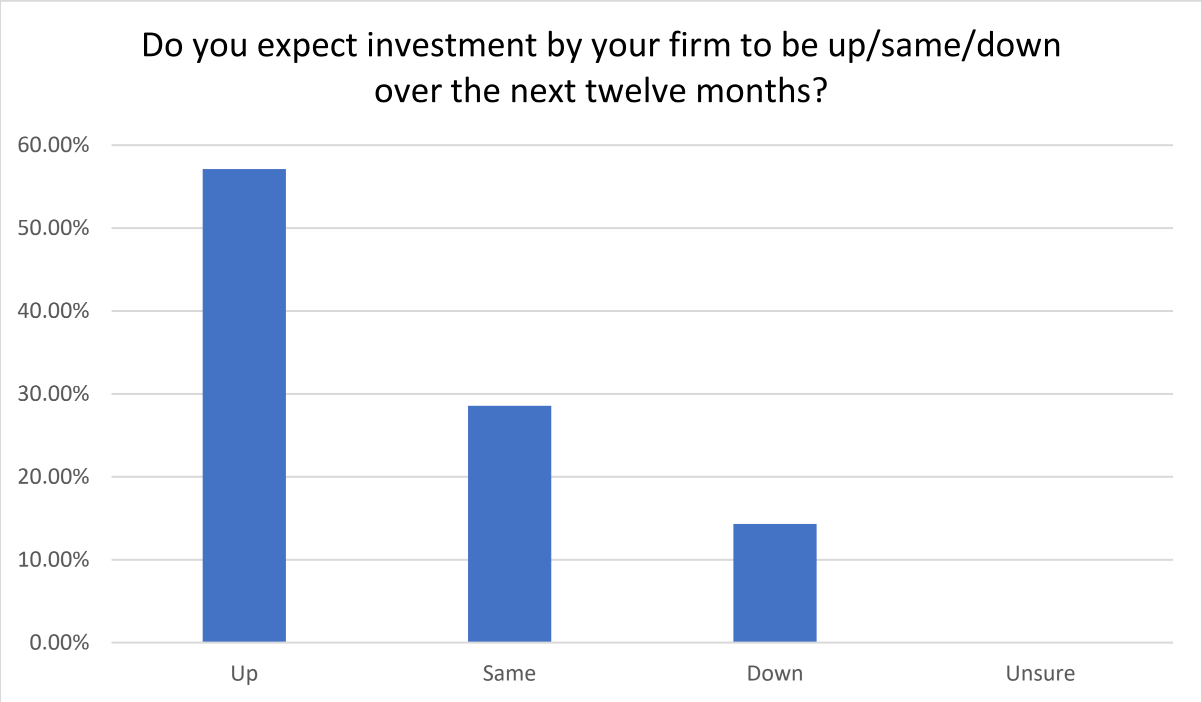

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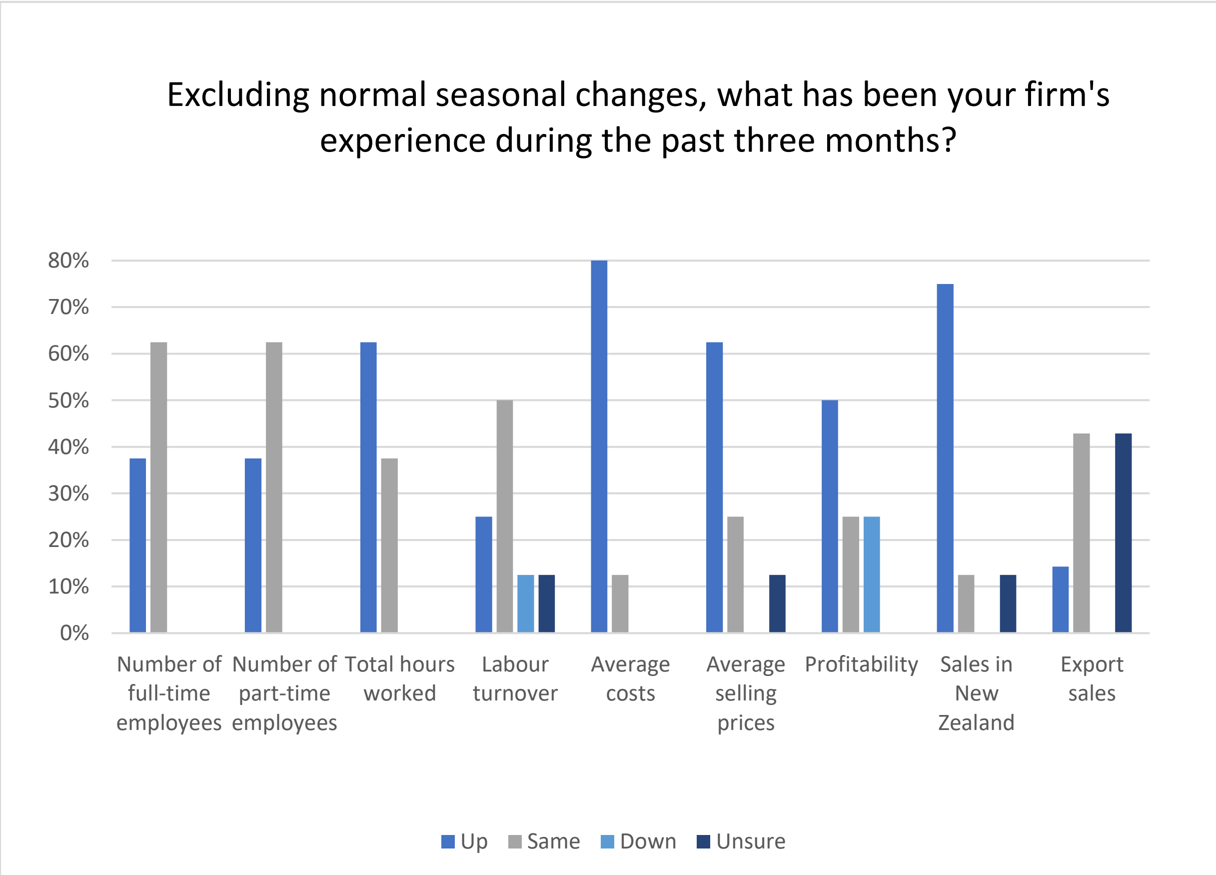

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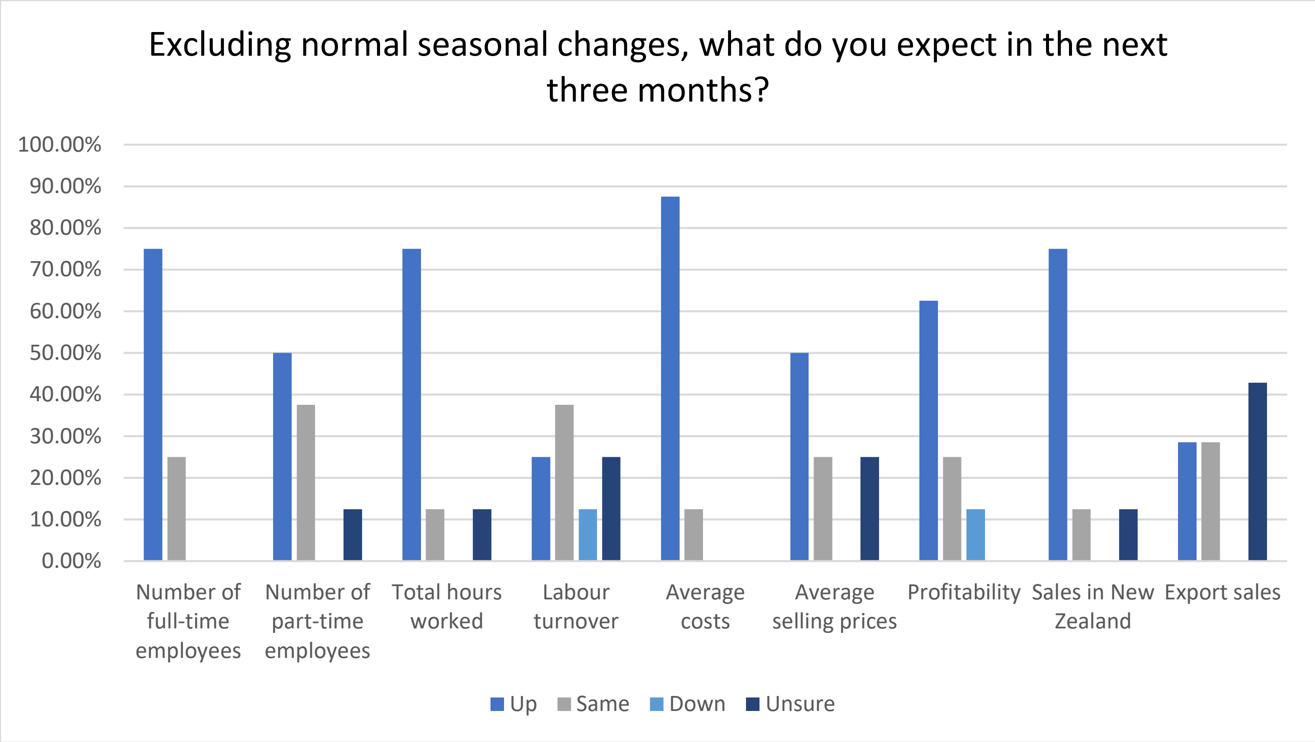

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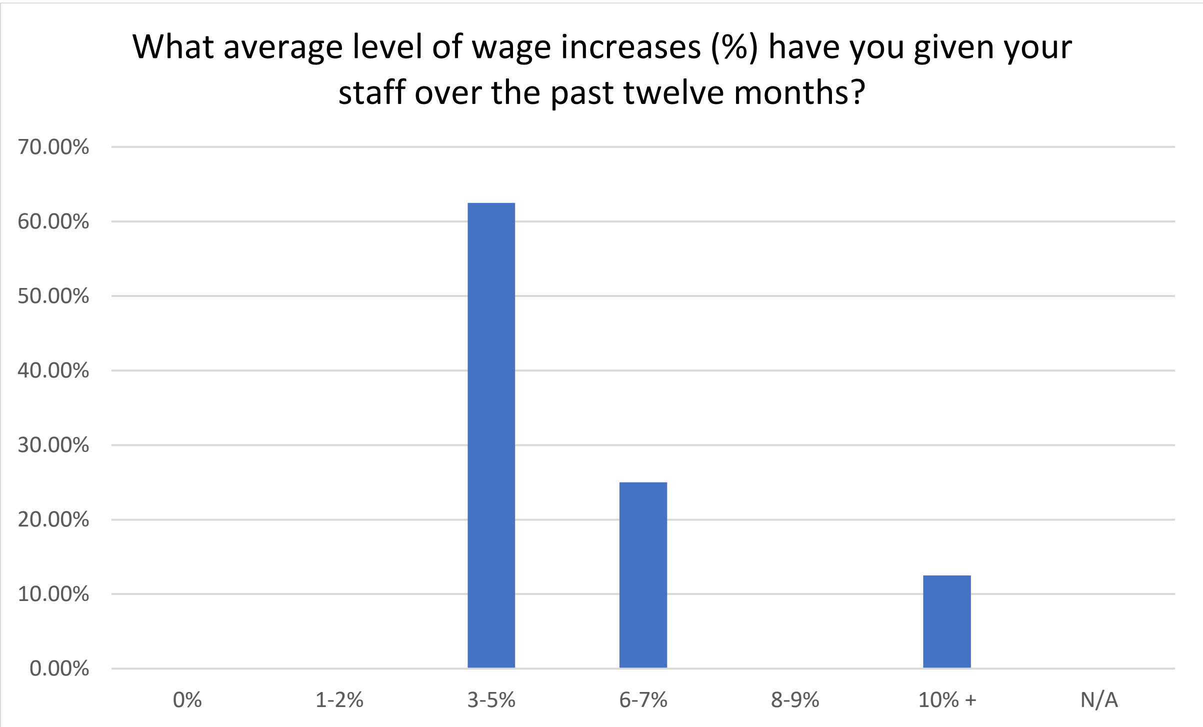

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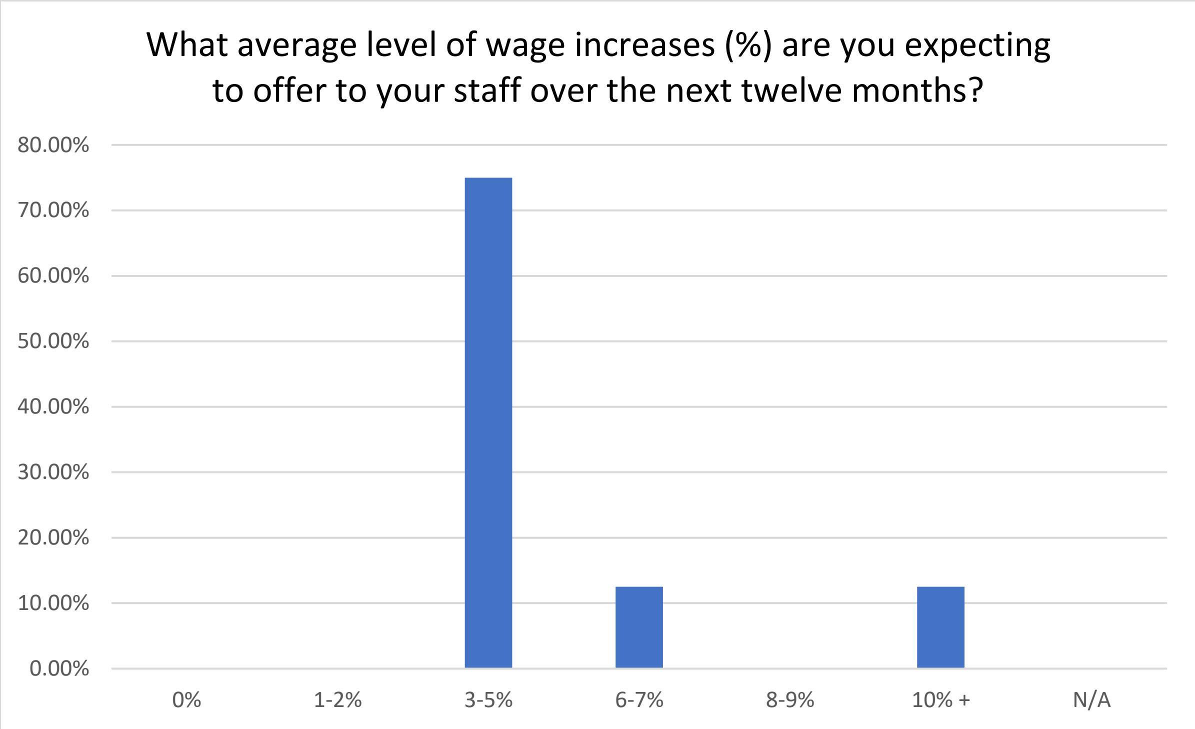

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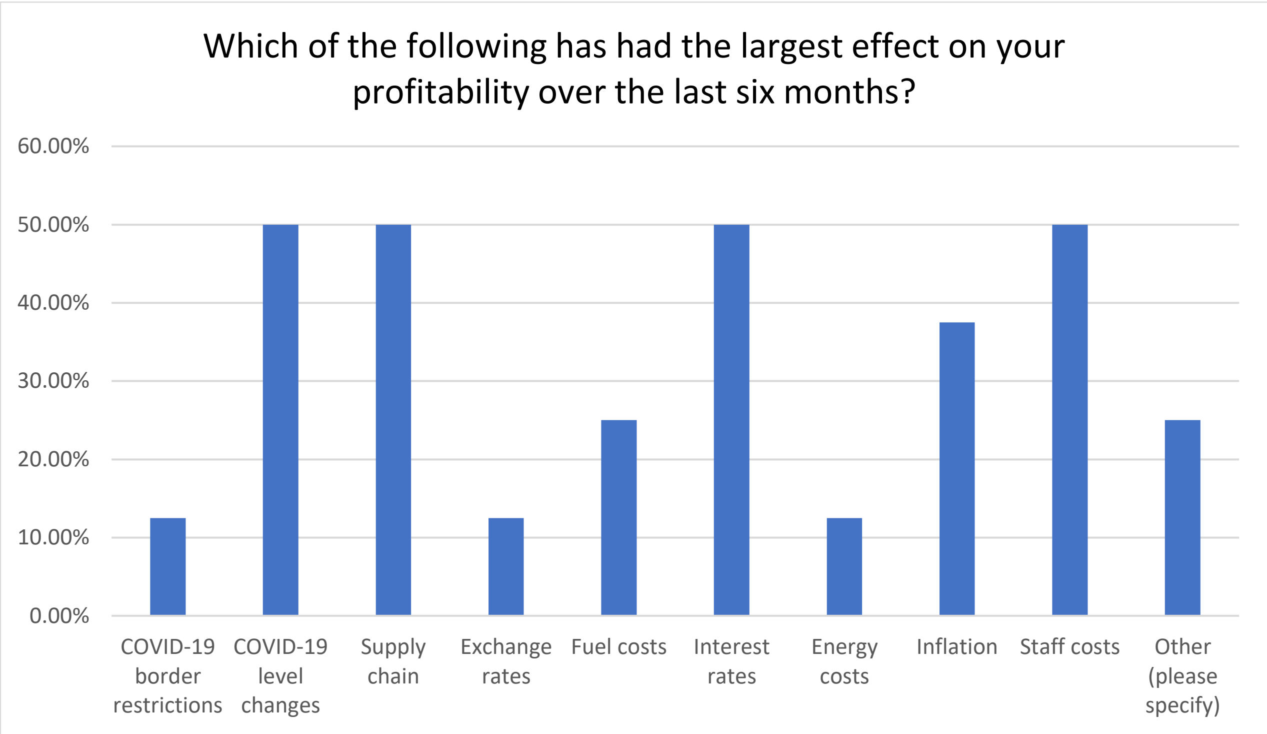

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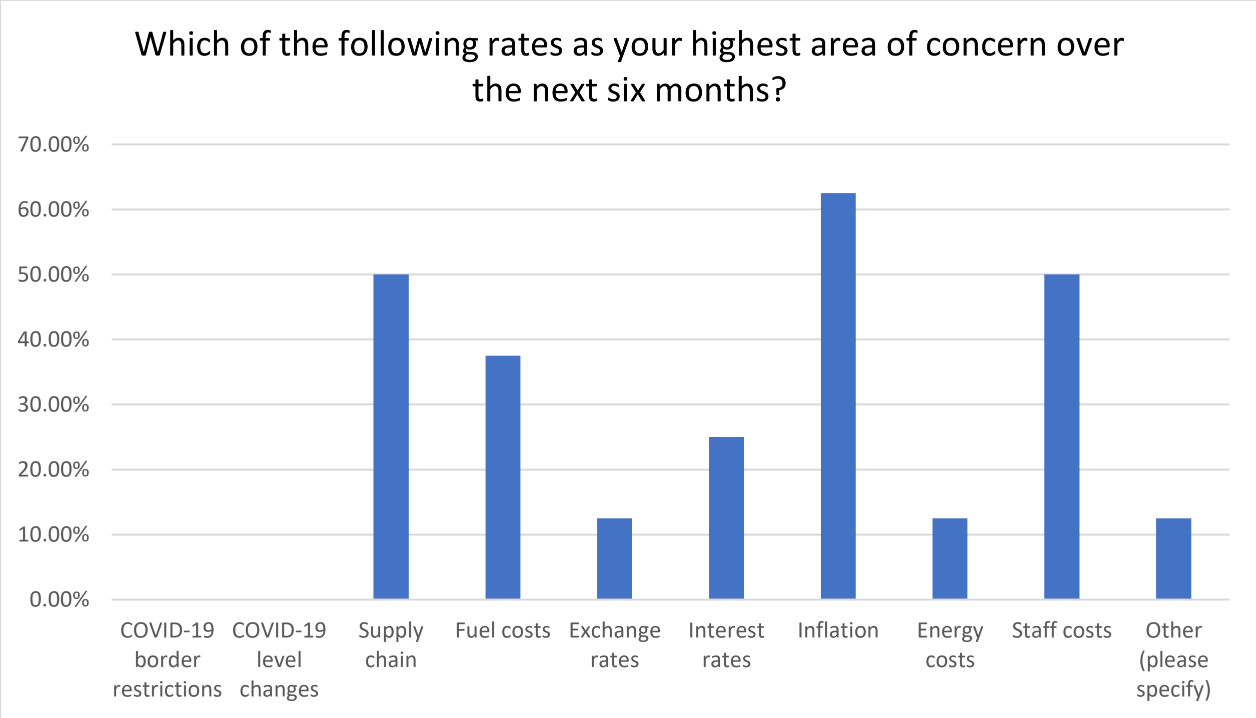

Question 14