



**Business
Canterbury**
Our Chamber of Commerce

Quarterly Canterbury Business Survey

August 2024 | In field: 15 August - 23 August

The latest Quarterly Canterbury Business Survey shows renewed optimism about the economy following the first interest rate cut in four and a half years.

This is a significant improvement in expectations for both the Canterbury economy and individual business performance, where 53% of businesses expect a more robust Canterbury economy over the next year, up from 26% last quarter.

There are also early indications that the recent drops in inflation and interest rates are positively impacting the business operating environment. For the first time, the proportion of businesses experiencing significant impacts from rising costs has decreased, dropping to 36%.

However, the latest OCR announcement hasn't led to increased expectations for investment and recruitment, but they have remained steady. This indicates that while businesses feel more optimistic, they are not yet ready to commit to growth fully.

Productivity and growth continue to be a developing concern for businesses in the survey, with the percentage of businesses expressing concern increasing from 22% last year to 38% this August.

The top issues highlighted by businesses in this survey are (in order): consumer confidence and demand, inflation and rising interest rates, and consumer confidence and demand.

53%

Expect the Canterbury economy to be stronger in 12 months.

36%

Still experiencing significant impacts from rising costs

57%

Identified consumer confidence and demand as a top three concern for their business.

57%

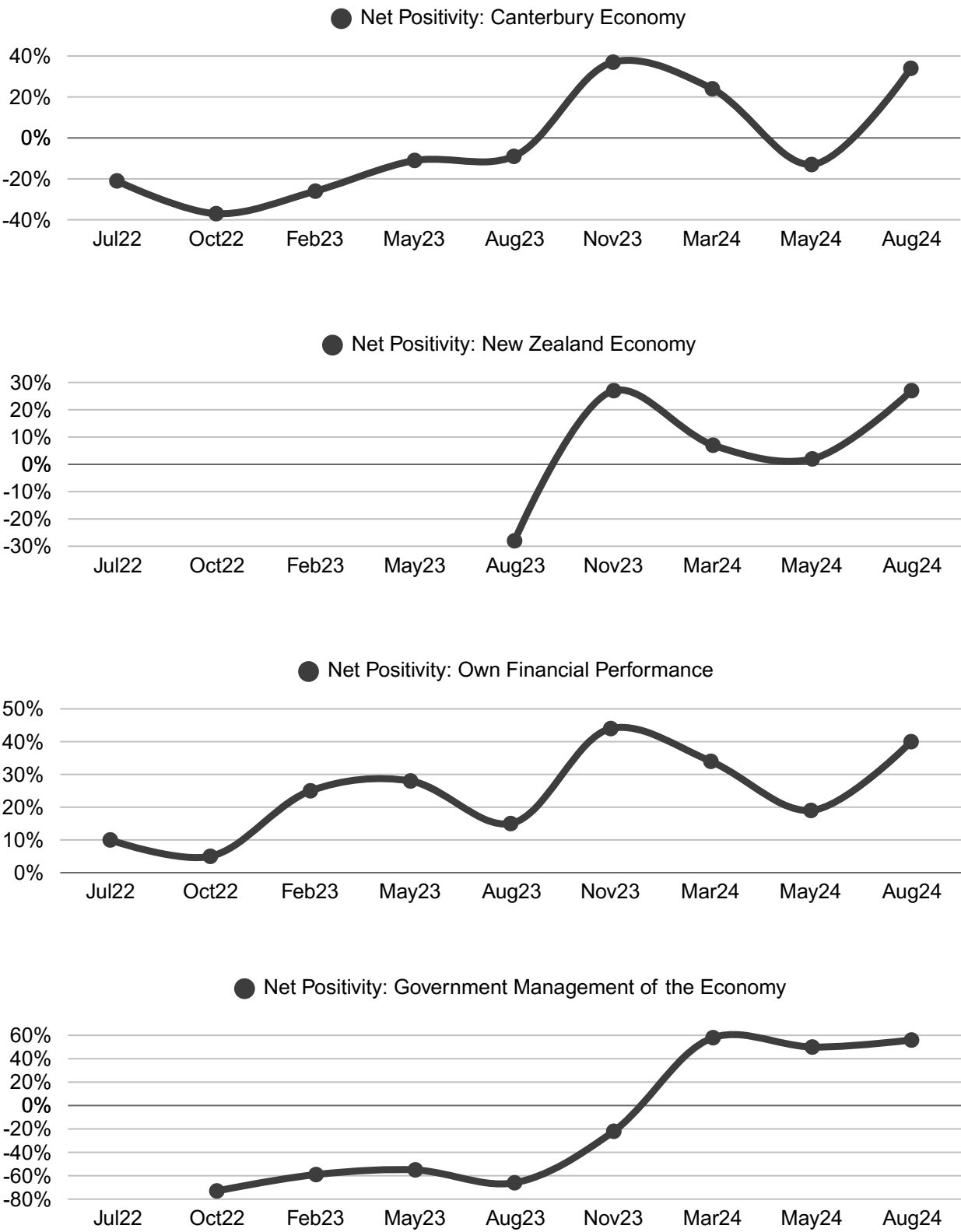
Expect stronger financial performance over the next 12 months.

Top Issues

1. Consumer confidence and demand
2. Inflationary pressure and interest rates
3. Productivity and growth
4. Cashflow and accounts receivable/payable
5. Compliance costs

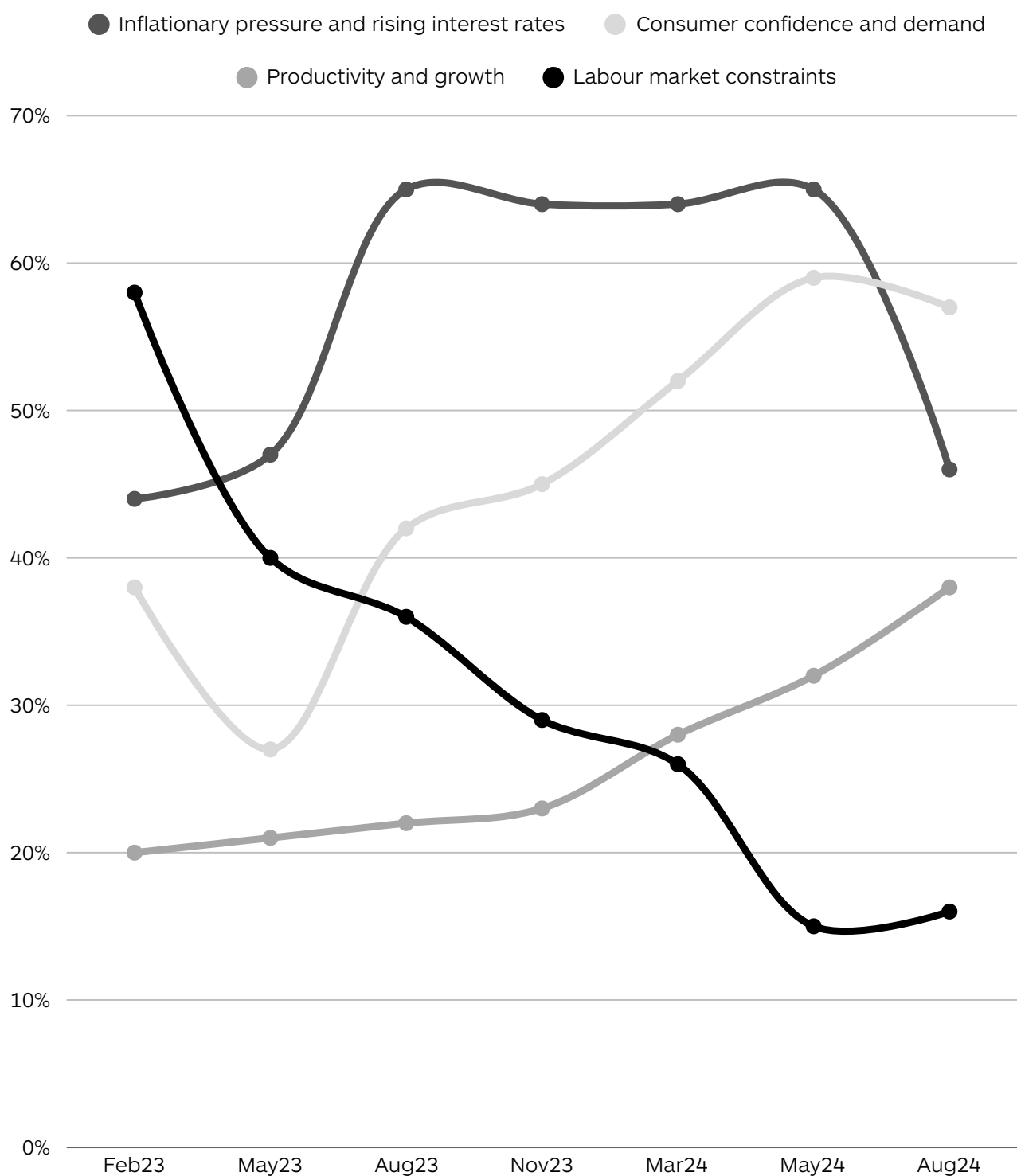
Business confidence: net positivity scores

To calculate a net positivity score, we subtract the percentage of negative responses from the percentage of positive responses. A higher net positivity score indicates a more positive overall sentiment, while a lower score suggests a more negative sentiment.



Top issues

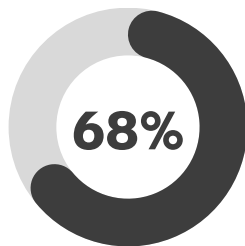
In every survey, we ask respondents to select the three biggest concerns for them. The graph below shows the proportion of respondents who listed one of the following four issues among their top three concerns.



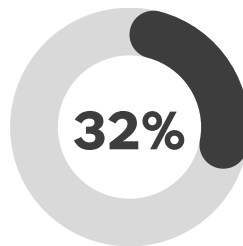
Christchurch Snapshot



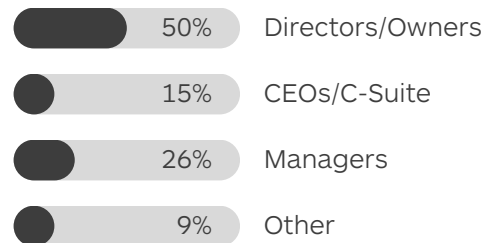
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand
2. Inflation and interest rates
3. Productivity and growth
4. Cashflow
5. Compliance costs

Industries

1. Manufacturing
2. Professional services
3. Construction and civil
4. Software and technology
5. Retail

54%

Expect the Canterbury economy to be stronger in 12 months.

54%

Expect to invest in property, plant, and equipment within the next 12 months.

56%

Expect to hire new staff within the next 12 months.

57%

Expect stronger financial performance over the next 12 months.

37%

Are experiencing significant impacts from rising costs.

67%

Are confident in their ability to deal with disruption.

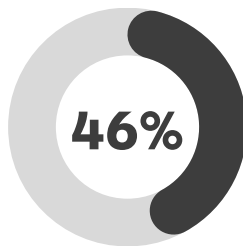
Mid Canterbury Snapshot



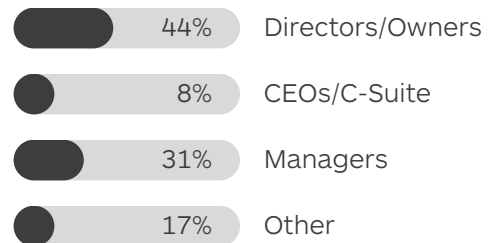
Respondents



SMEs



Large Businesses



Top issues

1. Inflation and interest rates
2. Compliance costs
3. Consumer confidence and demand
4. Productivity and growth
5. Cashflow

Industries

1. Primary industries and agriculture
2. Professional services
3. Construction and civil
4. Manufacturing
5. Tourism

53%

Expect the Canterbury economy to be stronger in 12 months.

65%

Expect to invest in property, plant, and equipment within the next 12 months.

71%

Expect to hire new staff within the next 12 months.

53%

Expect stronger financial performance over the next 12 months.

33%

Are experiencing significant impacts from rising costs.

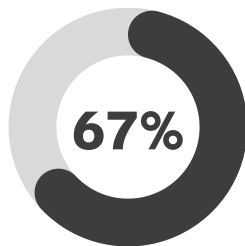
82%

Are confident in their ability to deal with disruption.

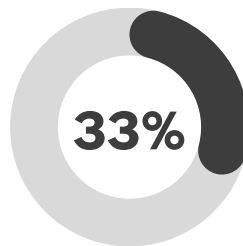
North Canterbury Snapshot



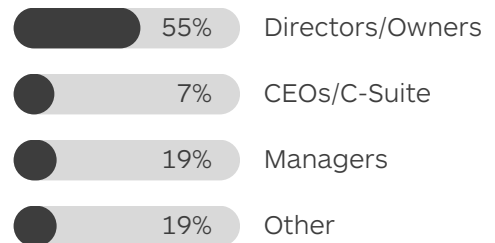
Respondents



SMEs



Large Businesses



Top issues

1. Inflation and interest rates
2. Consumer confidence and demand
3. Cashflow
4. Compliance costs
5. Productivity and growth

Industries

1. Manufacturing
2. Professional services
3. Construction and civil
4. Primary industries and agriculture
5. Education and Training

74%

Expect the Canterbury economy to be stronger in 12 months.

52%

Expect to invest in property, plant, and equipment within the next 12 months.

74%

Expect to hire new staff within the next 12 months.

74%

Expect stronger financial performance over the next 12 months.

46%

Are experiencing significant impacts from rising costs.

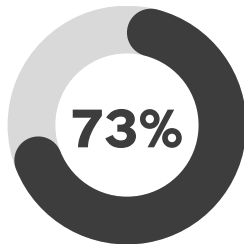
77%

Are confident in their ability to deal with disruption.

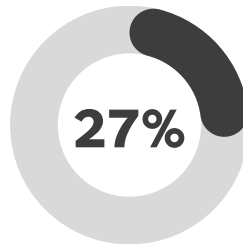
Selwyn Snapshot



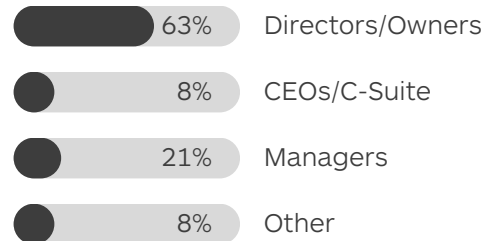
Respondents



SMEs



Large Businesses



Top issues

1. Inflation and interest rates
2. Compliance costs
3. Consumer confidence and demand
4. Cashflow
5. Productivity and growth

Industries

1. Manufacturing
2. Primary industries and agriculture
3. Professional services
4. Construction and civil
5. Not-for-profit and Charity

55%

Expect the Canterbury economy to be stronger in 12 months.

57%

Expect to invest in property, plant, and equipment within the next 12 months.

46%

Expect to hire new staff within the next 12 months.

55%

Expect stronger financial performance over the next 12 months.

44%

Are experiencing significant impacts from rising costs.

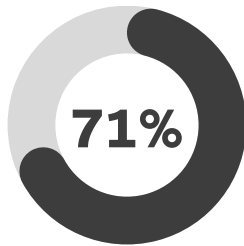
71%

Are confident in their ability to deal with disruption.

West Coast Snapshot



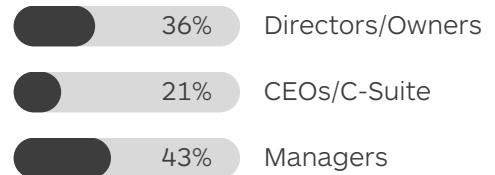
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand
2. Labour market constraints
3. Compliance costs
4. Inflation and interest rates
5. Cashflow and accounts payable/receivable

Industries

1. Construction and civil
2. Manufacturing
3. Professional services
4. Not-for-profit and Charity
5. Healthcare and assistance

43%

Expect the New Zealand economy to be stronger in 12 months.

79%

Expect to invest in property, plant, and equipment within the next 12 months.

71%

Expect to hire new staff within the next 12 months.

50%

Expect stronger financial performance over the next 12 months.

36%

Are experiencing significant impacts from rising costs.

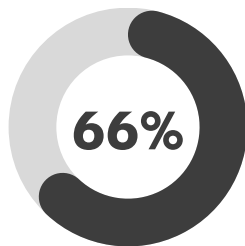
79%

Are confident in their ability to deal with disruption.

Civil and Construction Snapshot



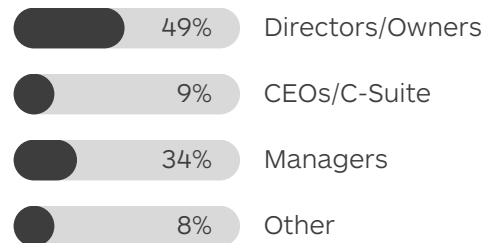
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Increased compliance costs

3. Productivity and Growth

4. Inflation and interest rates

5. Cashflow

57%

Expect the Canterbury economy to be stronger in 12 months.

64%

Expect to invest in property, plant, and equipment within the next 12 months.

64%

Expect to hire new staff within the next 12 months.

55%

Expect stronger financial performance over the next 12 months.

26%

Are experiencing significant impacts from rising costs.

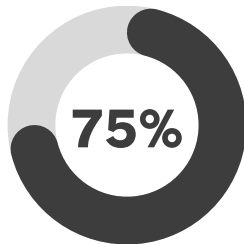
76%

Are confident in their ability to deal with disruption.

Education and Training Snapshot



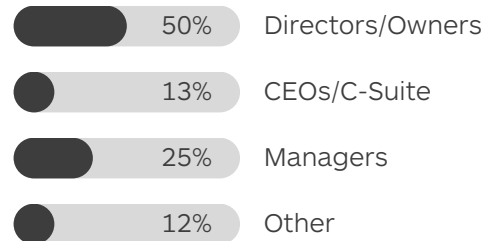
Respondents



SMEs



Large Businesses



Top issues

1. Inflation and interest rates

2. Compliance Costs

3. Education and Skills

4. Labour market constraints

5. Consumer confidence and demand

25%

Expect the Canterbury economy to be stronger in 12 months.

50%

Expect to invest in property, plant, and equipment within the next 12 months.

63%

Expect to hire new staff within the next 12 months.

63%

Expect stronger financial performance over the next 12 months.

25%

Are experiencing significant impacts from rising costs.

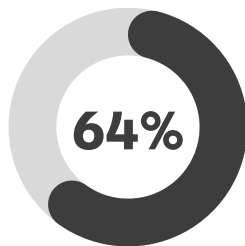
63%

Are confident in their ability to deal with disruption.

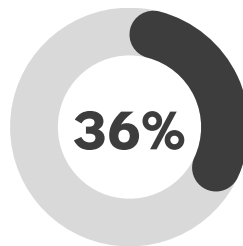
Freight and Logistics Snapshot



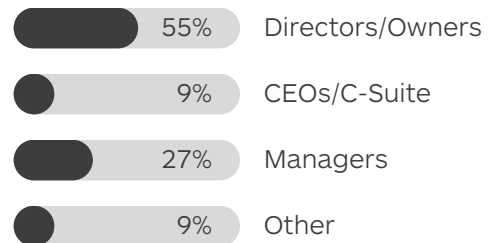
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Inflation and interest rates

3. Supply chain constraints

4. Cashflow

5. Compliance costs

55%

Expect the Canterbury economy to be stronger in 12 months.

45%

Expect to invest in property, plant, and equipment within the next 12 months.

82%

Expect to hire new staff within the next 12 months.

73%

Expect stronger financial performance over the next 12 months.

27%

Are experiencing significant impacts from rising costs.

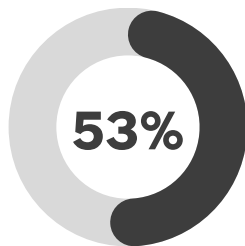
91%

Are confident in their ability to deal with disruption.

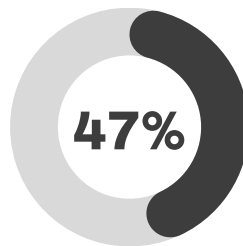
Healthcare and Assistance Snapshot



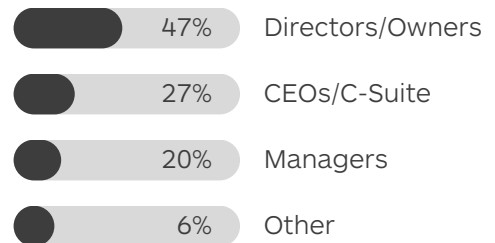
Respondents



SMEs



Large Businesses



Top issues

1. Compliance costs

2. Consumer confidence and demand

3. Inflation and interest rates

4. Productivity and growth

5. Cashflow / Employment issues

46%

Expect the Canterbury economy to be stronger in 12 months.

69%

Expect to invest in property, plant, and equipment within the next 12 months.

62%

Expect to hire new staff within the next 12 months.

46%

Expect stronger financial performance over the next 12 months.

31%

Are experiencing significant impacts from rising costs.

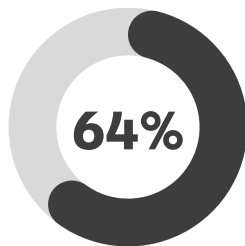
77%

Are confident in their ability to deal with disruption.

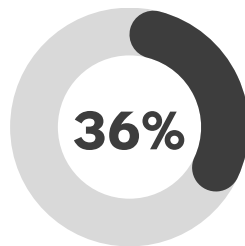
Manufacturing Snapshot



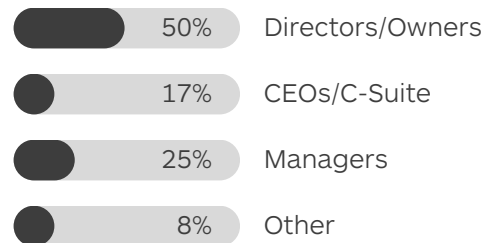
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Inflation and interest rates

3. Productivity and growth

4. Cashflow

5. Compliance costs

55%

Expect the Canterbury economy to be stronger in 12 months.

63%

Expect to invest in property, plant, and equipment within the next 12 months.

58%

Expect to hire new staff within the next 12 months.

61%

Expect stronger financial performance over the next 12 months.

51%

Are experiencing significant impacts from rising costs.

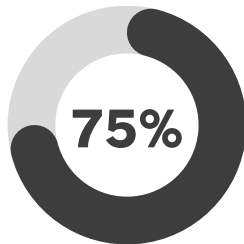
55%

Are confident in their ability to deal with disruption.

Primary Industries Snapshot



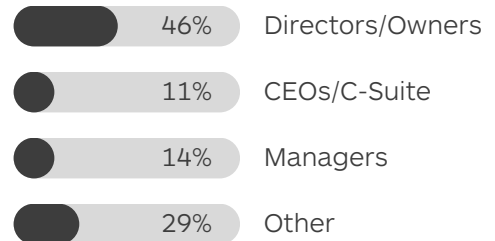
Respondents



SMEs



Large Businesses



Top issues

1. Compliance costs

2. Inflation and interest rates

3. Consumer confidence and demand

4. Cashflow

5. Productivity and growth

39%

Expect the Canterbury economy to be stronger in 12 months.

48%

Expect to invest in property, plant, and equipment within the next 12 months.

43%

Expect to hire new staff within the next 12 months.

57%

Expect stronger financial performance over the next 12 months.

32%

Are experiencing significant impacts from rising costs.

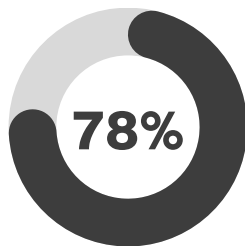
68%

Are confident in their ability to deal with disruption.

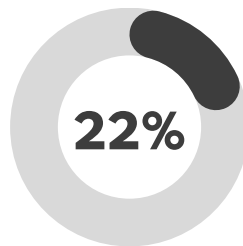
Professional Services Snapshot



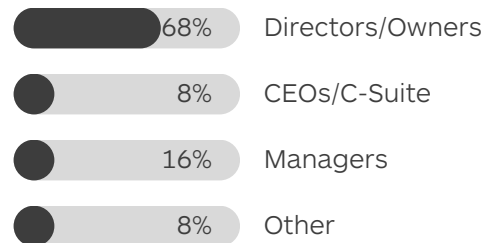
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Productivity and growth

3. Inflation and interest rates

4. Cashflow

5. Compliance costs

61%

Expect the Canterbury economy to be stronger in 12 months.

45%

Expect to invest in property, plant, and equipment within the next 12 months.

48%

Expect to hire new staff within the next 12 months.

59%

Expect stronger financial performance over the next 12 months.

23%

Are experiencing significant impacts from rising costs.

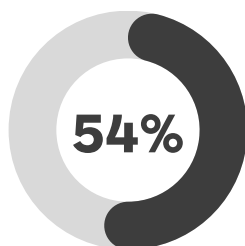
80%

Are confident in their ability to deal with disruption.

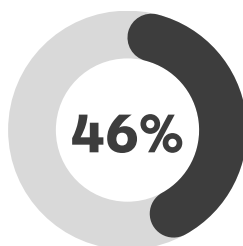
Retail, Tourism and Hospitality Snapshot



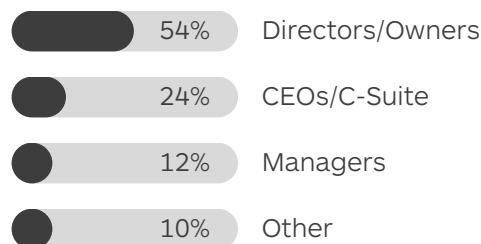
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Inflation and interest rates

3. Compliance costs

4. Cashflow

5. Productivity and growth

55%

Expect the Canterbury economy to be stronger in 12 months.

61%

Expect to invest in property, plant, and equipment within the next 12 months.

55%

Expect to hire new staff within the next 12 months.

55%

Expect stronger financial performance over the next 12 months.

38%

Are experiencing significant impacts from rising costs.

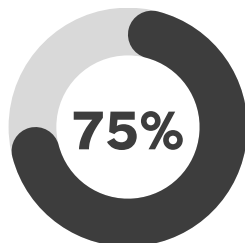
73%

Are confident in their ability to deal with disruption.

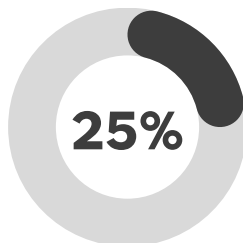
Software and Technology Snapshot



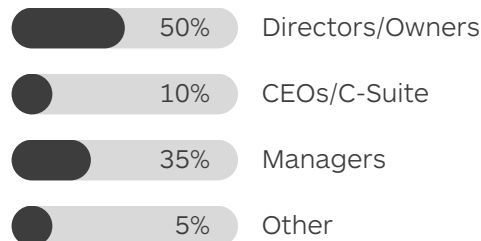
Respondents



SMEs



Large Businesses



Top issues

1. Consumer confidence and demand

2. Inflation and interest rates

3. Productivity and growth

4. Access to capital

5. Labour market constraints

47%

Expect the Canterbury economy to be stronger in 12 months.

58%

Expect to invest in property, plant, and equipment within the next 12 months.

74%

Expect to hire new staff within the next 12 months.

74%

Expect stronger financial performance over the next 12 months.

17%

Are experiencing significant impacts from rising costs.

89%

Are confident in their ability to deal with disruption.