

Mood of Boardroom - regional views

The Mood of the Boardroom is an annual business surveyed conducted by the NZ Herald and BusinessNZ.

The survey asks opinions on current issues affecting business in New Zealand.

In the 2019 survey responses were received from:

- 157 large businesses and organisations mostly headquartered in Auckland
- 153 businesses in regional towns and cities of all sizes

Responses from businesses in regional towns and cities are below.

Regional responses to Mood of the boardroom 2019:

In the following year do you expect to authorise more or less capital expenditure?

- More 42
- Less 55
- Same 47
- Unsure 4

In the following year do you expect to authorise more or less IT expenditure?

- More 54
- Less 35
- Same 51
- Unsure 3

If you are an exporter, what is the single biggest factor that would assist your business to remain internationally competitive from NZ?

- Currency stability 8
- More free trade agreements 7

How concerned are you about the impact the following factors on business confidence for the general business community? Please select your top three concerns:

- International trade environment 52
- Exchange rates/level of the NZ dollar 23
- Changed Reserve Bank policies 13
- Level of government debt 0
- Level and quality of government spending 44
- Competitiveness of corporate tax rate 7
- Housing unaffordability 14
- Infrastructure constraints 27
- Restrictions on resource management/land use 9
- Congestion in Auckland 18
- Fuel price increases 5
- Electricity pricing 0
- Implications of oil and gas exploration ban 9
- Implications of emissions reduction policies 11
- Employment law changes 39
- Wage Increases 29
- Skills and labour shortages 37
- Labour productivity 11
- Immigration restrictions 13
- Changed vocational education policies 2
- General uncertainty around the impact and direction of current or proposed Government policies 71
- Access to capital 6
- Other 3

How concerned are you about the impact of the following factors on business confidence, for your own business? Please select your top three concerns

- International trade environment 30
- Exchange rates/level of the NZ dollar 27
- Changed Reserve Bank policies 6
- Level of government debt 2
- Level and quality of government spending 30
- Competitiveness of corporate tax rate 8
- Housing unaffordability 11
- Infrastructure constraints 20
- Restrictions on resource management/land use 11
- Congestion in Auckland 20
- Fuel price increases 5
- Electricity pricing 1
- Implications of oil and gas exploration ban 5
- Implications of emissions reduction policies 5
- Employment law changes 41
- Wage Increases 34
- Skills and labour shortages 57
- Labour productivity 19
- Immigration restrictions 17
- Changed vocational education policies 5
- General uncertainty around the impact and direction of current or proposed Government policies 59
- Access to capital 9
- Other 7

In 2019 New Zealand has the 7th highest headline corporate tax rate of 36 OECD countries. Some of those with higher rates plan to reduce them in the future. Are you concerned that New Zealand's headline corporate tax rate is not sufficiently internationally competitive to attract foreign investment?

- Yes 78
- No 47
- Unsure 20

Should the Government consider a phased reduction of the headline corporate tax rate to 25% by 2027, to match Australia?

- Yes 106
- No 29
- Unsure 18

Are you finding it hard to retain workers due to unavailability of affordable housing?

- Yes 52
- No 80
- Unsure 12

How well has the Resource Management Act worked to facilitate growth and development? Please rank on a scale of 1-5 where 1 = not impressive, and 5 = very impressive.

1	74
2	36
3	32
4	7
5	3

How well does your local council perform in facilitating growth and development? Please rank on a scale of 1-5 where 1 = not impressive, and 5 = very impressive.

1	54
2	48
3	29
4	10
5	1

Should businesses be required to pay higher rates than domestic ratepayers (business differentials)?

- Yes 40
- No 81
- Unsure 23

How easy or difficult has it been to fill staff vacancies over the last year? Please rank on a scale of 1-5 where 1 = very difficult and 5 = very easy.

1	39
2	48
3	39
4	14
5	4

How easy or difficult has it been to fill vacancies with staff from overseas over the last year? Please rank on a scale of 1-5 where 1 = very difficult, and 5 = very easy.

1	44
2	31
3	47
4	6
5	2

*The Mood of the Boardroom regional survey was conducted online during September 2019
www.businessnz.org.nz*