



Business NZ survey for Jobs Summit

To help inform the Employment Summit, Business NZ this month undertook a short survey of the business community with its four founder members EMA Northern, EMA Central, Canterbury Employers' Chamber of Commerce, and the Otago Southland Employers' Association, along with several national industry associations.

The survey asked questions relevant to parts of the work streams of the Summit:

- Business investment, infrastructure and new business
- The workplace and labour markets
- Helping firms survive
- Workers: skills, transition and adjustment
- Maori, local and regional government
- Liquidity and capital

The survey was not a fully representative sample of New Zealand enterprises, however the overall strong number of responses, particularly from small and medium sized firms, meant it provided a sound indicative response by business.

There were 647 respondents from companies of all sizes, regions and industries. Categorised by number of full time-equivalent employees, the responses were:

Respondents:

Companies 1-5 employees	181
Companies 6-9 employees	110
Companies 10-49 employees	238
Companies 50-99 employees	54
Companies 100-499 employees	53
Companies 500+ employees	11
Total	647

The following is a summary of responses (the full response document is available from Stephen Summers ssummers@businessnz.org.nz)

Business investment, infrastructure and new business

Q: Which areas of small scale infrastructure would be your priority for retaining jobs and skills over the next 12-24 months?

A: Priorities in order were: energy, roads, broadband, schools & state housing, railways, water, sewerage systems, gas

Q: Should the Government look to introduce short-term policies to welcome more overseas students to boost the local economy around schools and universities?

A: Yes 51%, No 19%, Maybe 30%

The workplace and labour markets

Q: Surplus staff - do you currently have more staff than you need?

A: Yes 33%, No 67%

(The industries where most companies said they had surplus staff were *manufacturing* 42% and *wholesale, retail, accommodation, cafes & restaurants* 38%)

Q: Surplus staff – do you believe this to be a temporary situation?

A: Yes 28%, No 52%, Don't know 20%

(Those with surplus staff were planning to *make staff redundant* (25%) or *reduce working hours* (38%) or *both* (37%))

Q: Would you reconsider having to make workers redundant if the Government provided assistance:

- A:
- Wage subsidy: Yes 70%, No 30%
 - Training subsidy: Yes 63%, No 37%
 - Cash grant for worker re-skilling: Yes 47%, No 53%
 - Additional subsidised annual leave: Yes 40%, No 60%

Helping firms survive

Q: What would be the most helpful areas of regulatory reform?

- A: Priorities in order were:
- Employment law (including the Holidays Act)
 - Extending 90-day trial periods to larger firms (>20 staff)
 - Skills
 - Resource Management Act
 - Local government

Workers: skills, transition and adjustment

Q: Do you currently employ apprentices or similar workers such as industry trainees?

A: Yes 27%, No 73%

Q: Do you intend to lay off any current apprentices?

A: Yes 10%, No 90%

(The industries where most companies said they intended such layoffs were *finance, property & business services* (30%), *wholesale, retail, accommodation, cafes & restaurants* (13.3%), and *transport, storage & communications services* (9.5%))

Q: Do you intend NOT hiring or re-hiring apprentices?

A: Yes 57%, No 43%

Q: Do you believe there will be a drop in the number of apprentices in your industry over the next 12-24 months?

A: - No drop 17%
- Minor drop 14%
- Noticeable drop 24%
- Noticeable to strong drop 25%
- Strong drop 20%

Q: Would you keep on or increase apprentice hiring if the Government took on some of the associated costs?

A: Yes 42%, No 14%, Maybe 44%

Q: What sort of assistance would best help your business grow or retain its most needed skills:

A: - Govt assistance for on the job training: 39%
- Govt assistance for off-job training (polytech etc): 35%
- Bonuses for employers when trainees complete training: 22%

Q: How could individuals be best helped to make a successful transition to new jobs following redundancy or retrenchment?

A: - Training assistance/opportunities 65%
- Better information provision (e.g. WINZ information) 31%
- More short-term welfare support 29%

Q: Do you have a current skill shortage?

A: Yes 38.5%, No 61.5%

Q: If you have a skill shortage, do you consider the current economic environment an opportunity to upskill your workers for the future needs of your business?

A: Yes 58%, No 42%

Local and regional government

Q: Do you support greater emphasis on central and local government and the private sector working together on projects at a local level?

A: Yes 71%, No 3%, Maybe 26%

Liquidity and capital

Q: Has your business had credit lines withdrawn since September 2008 (without it being, in your view, justified by current and likely future profitability)?

A: Yes 8%, No 92%

Q: Has your business had any application for debt financing rejected since September 2008 (without it being, in your view, justified by current and likely future profitability)?

A: Yes 8%, No 92%

Q: Has your business tried unsuccessfully to obtain any injection of equity since September 2008 (without it being, in your view, justified by current and likely future profitability)?

A: Yes 10%, No 90%

(70% of those answering yes to the above 3 questions considered this would have a negative effect on jobs in their business)

Q: What would help you get better access to capital from banks or non-bank institutions?

A: - Better communication by banks 41%
- Improved credit facilities 37%
- Help from advisory services 22%

Q: Do you think that changes in non-bank capital raising would have a positive impact on employment in the next 12-24 months?

A: Yes 52%, No 48%

Q: Do you think that changes to the NZ Superannuation Fund would have a positive impact on employment in the next 12-24 months?

A: Yes 30%, No 70%

Q: Do you think that changes to savings vehicles (i.e. KiwiSaver) would have a positive impact on employment in the next 12-24 months?

A: Yes 35%, No 65%