

# Hutt Valley Business Confidence | March 2024

021 248 1203



www.hvchamber.org.nz



patrick@hvchamber.org.nz

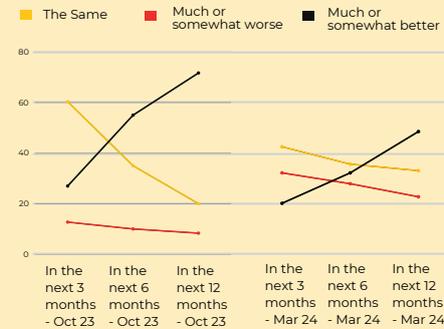


## Hutt Valley businesses are doing it tough, and it is much tougher than 6 months ago

How do you expect the general business conditions to be in 'Your Business' over the next 12 months?



How do you expect the general conditions to be in 'Your Business' over the next 12 months? (Oct 23 to Mar 24)



Businesses in the Hutt Valley are doing it tough and don't expect things to get better quickly.

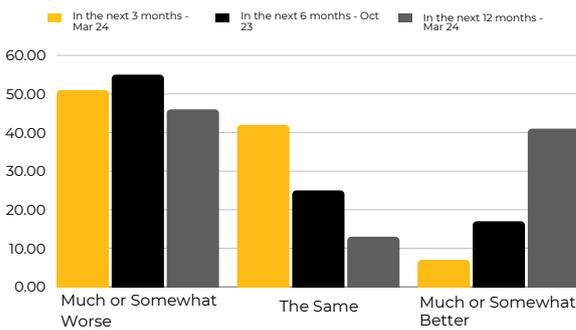
Of most note is the number of businesses that expect their own business to be 'somewhat or much worse' in the next 3 months has risen to 34% from 13% in six months.

Of significant note is the numbers of businesses that feel things in their business will be 'much or somewhat better' is down to 34% from 55% in six months.

A good indicator is the business comment, 'We are experiencing a downturn in business.' The data reflected that this is not isolated.

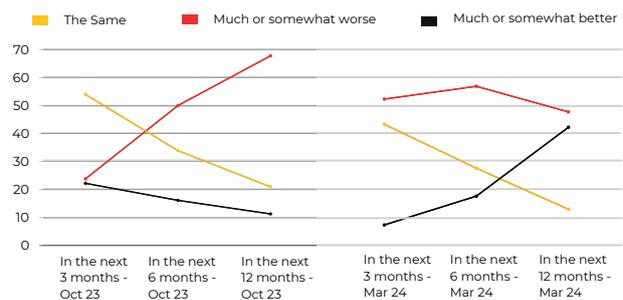
## The Hutt Valley business outlook for New Zealand is poor

How do you expect the general business conditions to be in 'NZ' over the next 12 months?



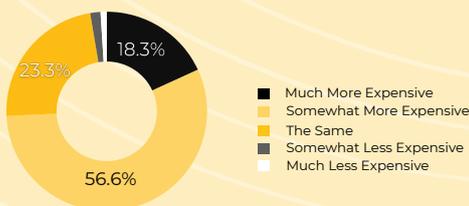
If the outlook for Hutt Valley business has changed significantly, then their view for New Zealand business is certainly of great concern. Of most note is the number of businesses that expect NZ business to be 'somewhat or much worse' in the next 3 months has risen to 51% from 22% in six months. This mood is reflected even more in the 6 month and 12 month outlook where there has been a 39% and 35% negative swing respectively. Somewhat like their own business are the numbers of businesses that feel things in their business will be 'much or somewhat better' is down to 18% from 50% in six months.

How do you expect the general conditions to be in 'Your Business' over the next 12 months? (Oct 23 to Mar 24)



## Cost of doing business is not getting any better for Hutt Valley businesses

What do you expect the cost of doing business will be for 'Your Business' over the next 6 months?

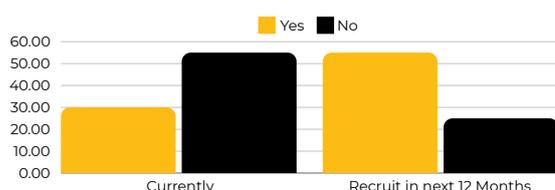


The cost of doing business is not getting any easier for Hutt Valley businesses with 75% of businesses saying that they expect the cost of doing business to be 'much more' or 'somewhat more' expensive over the next 6 months. This compares to only 42.86% in October 2023. The number of businesses who expect things to say the same has halved to 23.33% compared to October 2023.

Businesses are saying things like "supplier costs are increasing and clients are looking for increasing value for money" and "margins are being squeezed". Businesses also feel like the new government have been a bit slow to help businesses get up & running." The economy is still very flat with nothing exciting happening on the frontline'.

## The need for staff has eased significantly with lower expectations for staff in 12 months

Are you experiencing issues with filling staff vacancies in your business? - March 24



During the last 12 months we have heard how difficult it is to get staff. Now the need for staff in the Hutt Valley is lower than it has been over the past two years with change in the numbers of businesses recruiting now and expecting to recruit in 12 months. Organisations recruiting currently has dropped to 30% from 47% in October 2023. Organisations expecting to recruit in 12 months is now 55% compared to 67% in October 2023. Competition for labour from overseas markets continues to be a factor with a business commenting that 'the impact of Australia on our labour markets - being more attractive pay packets. We are having to look for innovative ways to hold onto staff'.