



Business Survey

May 2004

Featuring:

- **Regional Activity Predictions**
- **Taranaki Work/ Leisure Balance**

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1.0 Executive Summary

The survey results indicate that the Taranaki business community predicts New Zealand wide business conditions are set to remain the same for the year ahead. Businesses operating within the 'mining/ oil/ gas/ electricity/ water' industry are noticeably more optimistic in their predictions for the coming period than other industry sectors. Stratford based businesses also tend to be slightly more optimistic in outlook than South Taranaki and New Plymouth based businesses.

Over half of businesses surveyed reported industry conditions are likely to remain the same over the coming 12 months, while 24% indicated conditions are likely to improve. There has been little change in predictions since the previous survey carried out in November last year.

Although a decline on the November survey results, sales predictions for the coming six month period are confident with the large majority of businesses predicting sales levels either staying the same or improving over the coming period. Again Stratford based businesses are particularly confident with over half of businesses in this district indicating an increase in sales is likely over the next six months. Similarly, cashflow predictions are good with 40% of Stratford and 41% of New Plymouth businesses indicating an improvement is likely.

Employment levels are stable with 70% of business respondents predicting they will not require any additional staff over the coming six months. However, demand for 'skilled manual/ technical' and 'semi-skilled' staff are the most requested employee types.

There is confidence in the market that export levels will either improve or remain the same over the months ahead. Only a small portion of respondents anticipate deterioration in export conditions. Currently of concern is the strong New Zealand dollar influencing export prices.

Issues of concern raised by respondents were commonly in relation to compliance/ regulation and dairy payout issues. Also popular were comments on the strong New Zealand Dollar and the Property Market. Consistent with previous surveys, a lack of skilled employees is of concern to many businesses; although it is widely acknowledged this is a nationwide issue.

Over half Taranaki business owners/ operators work more than full-time hours and have less than ten hours of leisure time per week. The majority of respondents indicated they were not satisfied with the balance between their work and leisure time. The longer respondents worked, the lower their work/ leisure satisfaction rating was. The most common leisure activities included spending time with family members, outdoor/ sporting activities and visual media activities.

Quality of life, the public health system, the natural environment and the education system were the top four factors most important to the Taranaki business community in a list of priority options. Relative to New Zealand, the results suggest quality of life, quality of education and economic issues are more important to Taranaki businesses. Interestingly race relations and quality of artistic and cultural heritage ranked as a lower priority.

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2.0 Introduction

Established in 1998 Venture Taranaki is an apolitical, independent, world class Regional Development Agency founded and supported by the New Plymouth District Council. It is the first project of its kind in New Zealand and reflects Taranaki's ability to develop innovative and creative partnerships between central government, local government and the private sector.

As Taranaki's regional development agency, Venture Taranaki provides a strategic and focused approach to developing the local economy. Our vision is to provide leadership in promoting a dynamic and innovative economy for regional development and sustainable wealth creation in Taranaki.

The Taranaki Business Survey has been conducted twice yearly since 1999. The overall purpose of the survey is to monitor trends, identify key issues affecting the growth of Taranaki businesses and provide timely, accurate and valuable information to Taranaki businesses.

This research report has been analysed and prepared by Belinda Salmon, BBS (Marketing), Research Co-ordinator for Venture Taranaki. Reviewed by Anne Probert, BBS (Hons) MBS DBS, Economic Development Director.

Venture Taranaki would like to acknowledge the support of its major sponsor, the New Plymouth District Council.

3.0 Methodology

The Venture Taranaki Business Survey is undertaken every six months. Forms are mailed out to 1,000 Taranaki businesses throughout the region. Survey recipients were randomly selected from the New Zealand Business Directory Database (UBD) and considerable effort was made to gather a representative sample of industry sector, business size and location.

The survey questionnaire comprises two sections; a standard economic/ business section and a special topic section. The special topic for this survey was on the balance between businesses individuals' time at work and leisure.

As at February 2003 there were 7,503 businesses operating in the Taranaki region (Statistics New Zealand). The distribution of businesses across the Taranaki districts are as follows:

District	Number of Business Operating	Percent of Taranaki Businesses
New Plymouth	4,971	66.2%
South Taranaki	1,860	24.7%
Stratford	687	9.1%
Taranaki	7,503	100.0%

Considerable effort was taken to survey proportionate businesses from New Plymouth, South Taranaki and Stratford Districts. In addition to business location, surveys were distributed in proportion to industry type. We can be 95% +/-5.65% confident that survey results are representative of the entire Taranaki Business Population. As analysis throughout this report is, in parts, broken down by industry sector and district, it should be highlighted that the 95% +/- 5.64% is relevant to overall results and not at industry and district level (see appendix for confidence intervals at variable levels). Due to the larger interval at variable level, care should be taken when interpreting some results.

Lenise Young Pharmacy kindly sponsored the survey and offered an incentive to all individuals who responded to the survey. Each respondent received a \$10 voucher to be used at the pharmacy on products over the value of \$50.

4.0 Respondent Profile

Of those businesses who responded, 66% were located in the New Plymouth District, 20% in South Taranaki and 9% from Stratford. A total of 5% of businesses operated from branches located throughout Taranaki. These proportions are in alignment with the required representative samples.

One quarter of respondents considered their primary business operation as 'retail and wholesale trade'. A total of 14% reported they operated in the 'business/ property/ financial service' sector while 11% associated themselves with the 'building and construction' industry. All other industry sectors each comprised of less than 10% of respondents.

A total of 42% of responding businesses have 1 – 4 staff, 25% have 5 – 9 and 17% have 10 – 19. The remaining 16% of businesses have 20 or more people working in the business.

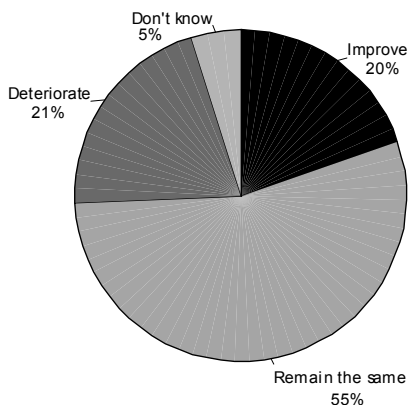
5.0 Economic Findings

5.1 New Zealand Wide Business Conditions

Respondents were asked to predict how they expected the general business situation in New Zealand to be over the next 12 months. Looking ahead, the majority of responding Taranaki businesses, 55%, predicted that general business conditions in New Zealand are set to remain the same. A total of 20% believed conditions would improve, while 21% predicted conditions would deteriorate

Consistently over the past four years approximately 50% of Taranaki business owners taking part in the survey predict that nationwide business conditions are set to remain the same over the coming 12 month period. .

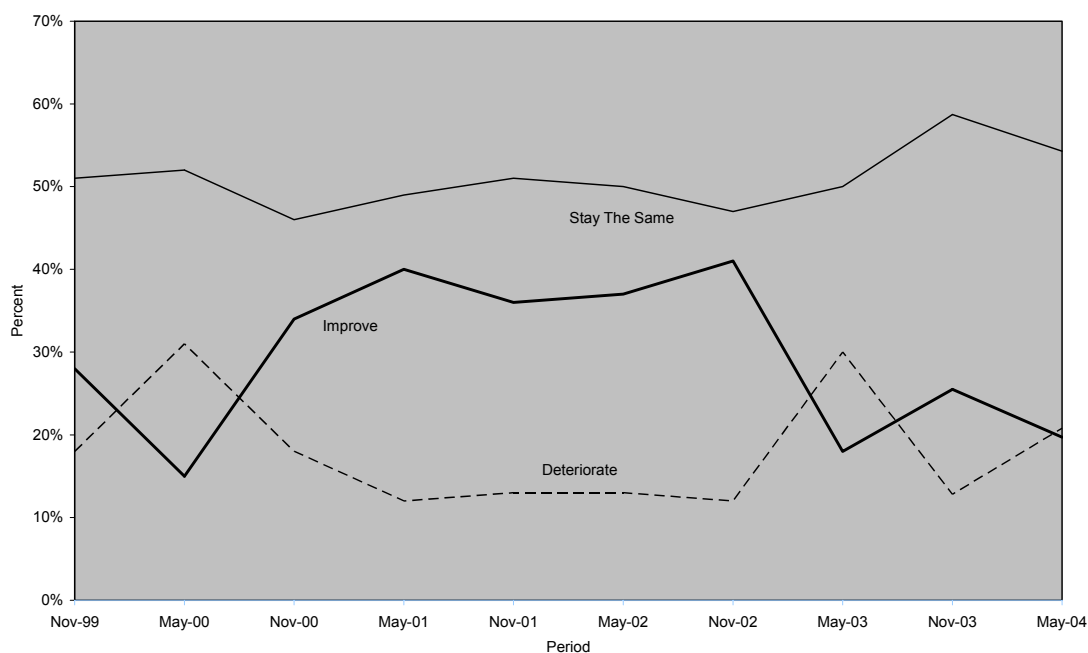
Graph 1: New Zealand Wide Conditions: Predictions for the Next 12 Months



One in five respondents indicated they believed that nation wide business conditions are set to deteriorate over the coming 12 months. Compared to the previous business survey in November 2003, one in eight respondents indicated they believed a decline in general business was evident. This indicates a significant increase in the number of respondents predicting the coming year will be one of decline.

As the graph below illustrates, for the first time since the business survey began there are approximately an equal number of respondents predicting deteriorating and improving conditions for the next 12 months. From 1999 to 2004 around half of the surveyed businesses have consistently predicted general business conditions will remain the same.

Graph 2: New Zealand Wide Conditions: Comparison of Results



Analysis by Industry:

With the exception of the 'mining/ oil/ gas/ electricity/ water', 'restaurant/ accommodation', business/ property/ financial services' and 'health/ education/ government services' industries, the majority of industries predict general business conditions to remain the same over the coming 12 months.

The 'restaurant/ accommodation' industry reported a high level of uncertainty with 18% of respondents reporting they could not predict what the business conditions over the coming year would deliver.

Table 1: New Zealand Wide Conditions: Predictions for the Next 12 Months by Industry Sector

Industry Group	Improve	Same	Deteriorate	Don't Know
Ag/ Hort/ Fish/ Forest	23%	50%	27%	0%
Mining/ Oil/ Gas/ Electricity/ Water	57%	43%	0%	0%
Manufacturing	13%	62%	18%	8%
Transport/ Comms/Building/ Construction	12%	69%	16%	2%
Retail/ Wholesale	23%	55%	18%	4%
Restaurant/ Accommodation	18%	27%	36%	18%
Business/ Property/ Financial Services	23%	44%	28%	5%
Health/ Education/ Government Services	25%	46%	29%	0%
Recreational/ Personal Services	37%	58%	0%	5%

Analysis by District:

Across the Taranaki districts Stratford is the most optimistic with 36% of respondents predicting New Zealand wide conditions will improve over the next 12 months. Conversely South Taranaki is the least optimistic with 31% predicting deteriorating conditions over the next year.

Table 2: New Zealand Wide Conditions: Predictions for the Next 12 Months by Taranaki District

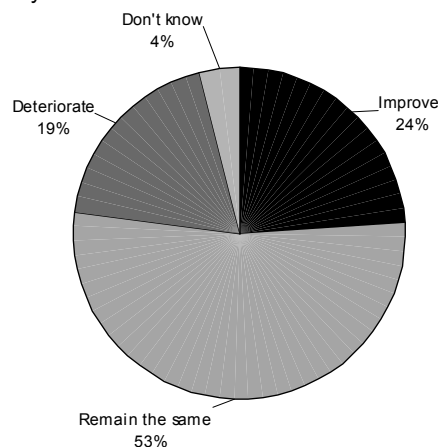
	Business Location				Total
	New Plymouth District	South Taranaki District	Stratford District	Throughout Taranaki	
Improve	20%	9%	36%	29%	20%
Remain the same	57%	55%	36%	50%	55%
Deteriorate	18%	31%	20%	21%	21%
Don't know	5%	5%	8%		5%
Total	100%	100%	100%	100%	100%

5.2 Industry Conditions

Respondents were asked to predict how they believed their industry conditions would fair over the coming 12 months. Once again, the majority of respondents (53%) predict that industry conditions will remain the same.

A total of 24% of respondents reported that industry conditions are likely to improve over the coming period while 19% believed conditions would deteriorate. These results therefore are expected to remain constant over the coming six month period.

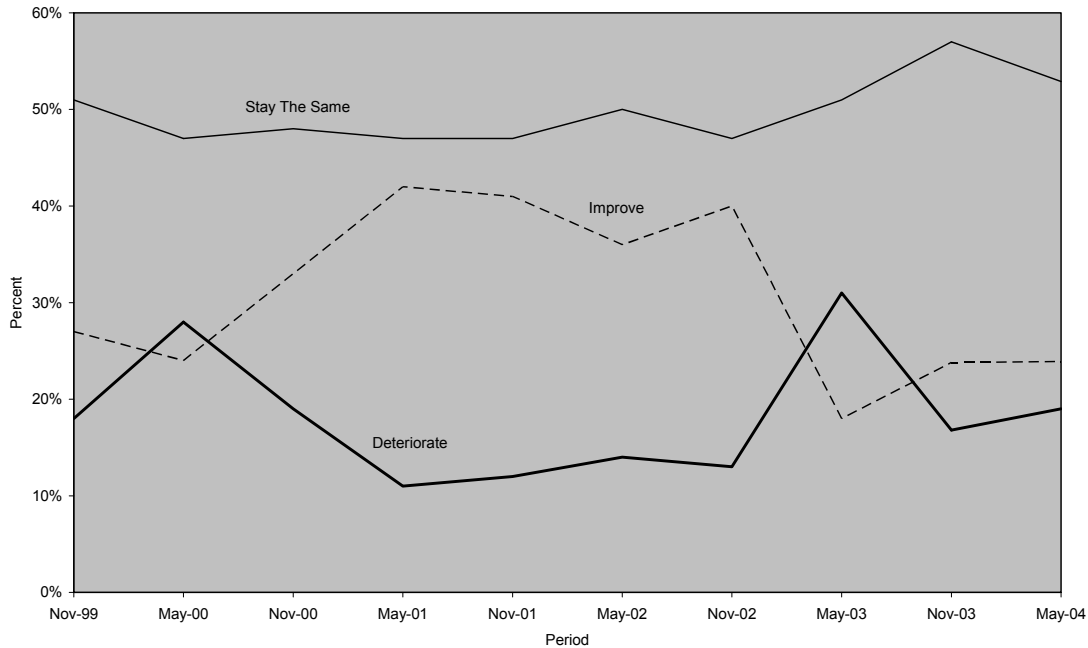
Graph 3: Industry Conditions: Predictions for the Next 12 Months



Industry predictions over time do not follow the same trend as that of the nation-wide prediction. The portion predicting conditions will improve has remained static while those predicting deterioration has mildly

increased from 17% to 19%. The proportion of businesses feeling that conditions will remain the same has consistently fluctuated at around 50% throughout the total reporting period.

Graph 4: Industry Conditions: Comparison of Results



Analysis by Industry:

Analysing predicted industry conditions across various industries it is evident that the majority of industry sectors believe industry conditions will remain the same over the coming 12 months. The 'mining/ oil/ gas/ electricity/ water' industry is the most optimistic for the coming 12 months with 57% of businesses in that sector predicting improved conditions. There are varying views on how the 'restaurant/ accommodation' industry will perform over the coming year with an equal number predicating improved and deteriorating conditions while 18% reported they could not predict conditions for the next 12 months.

Table 3: Industry Conditions: Predictions for the Next 12 Months by Industry Sector

Industry Group	Improve	Same	Deteriorate	Don't Know
Ag/ Hort/ Fish/ Forest	15%	50%	35%	0%
Mining/ Oil/ Gas/ Electricity/ Water	57%	14%	29%	0%
Manufacturing	18%	59%	21%	3%
Transport/ Comms/Building/ Construction	20%	55%	18%	6%
Retail/ Wholesale	23%	59%	16%	3%
Restaurant/ Accommodation	36%	9%	36%	18%
Business/ Property/ Financial Services	33%	49%	13%	5%
Health/ Education/ Government Services	29%	46%	25%	0%
Recreational/ Personal Services	21%	74%	5%	0%

Analysis by District:

Broken down results highlight businesses operating in the Stratford District are significantly less pessimistic than other Taranaki areas. A total of 4% of Stratford business respondents reported feeling that industry conditions will deteriorate over the next year. This compares to New Plymouth and South Taranaki based businesses reporting 17% and 31% respectively.

South Taranaki based respondents were the least optimistic with only 7% predicting conditions will improve.

Overall the majority of all businesses in each location predicted that industry conditions are likely to remain the same over the coming period.

Table 4: Industry Conditions: Predictions for the Next 12 Months by Taranaki District

	Business location				Total
	New Plymouth District	South Taranaki District	Stratford District	Throughout Taranaki	
Improve	27%	7%	36%	29%	24%
Remain the same	52%	60%	52%	43%	53%
Deteriorate	17%	31%	4%	21%	19%
Don't know	4%	2%	8%	7%	4%
Total	100%	100%	100%	100%	100.0%

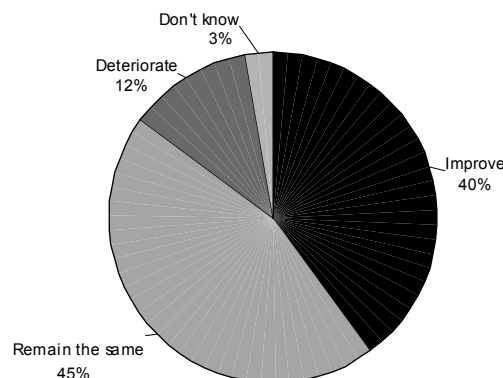
5.3 Sales/ Customer Levels

Collectively 85% of respondents predict sales levels will improve or perform to the same level as previous months. This is an optimistic outlook indicating sales levels are likely to remain solid over the months ahead.

45% predict that sales/ customer levels are going to remain the same over the coming six month period. This is a shift from the previous survey where the majority predicted conditions would improve.

A total of 40% predict levels are set to improve over the coming period while 12% predict a decline. 3% of respondents said they did not know what the next six months would bring.

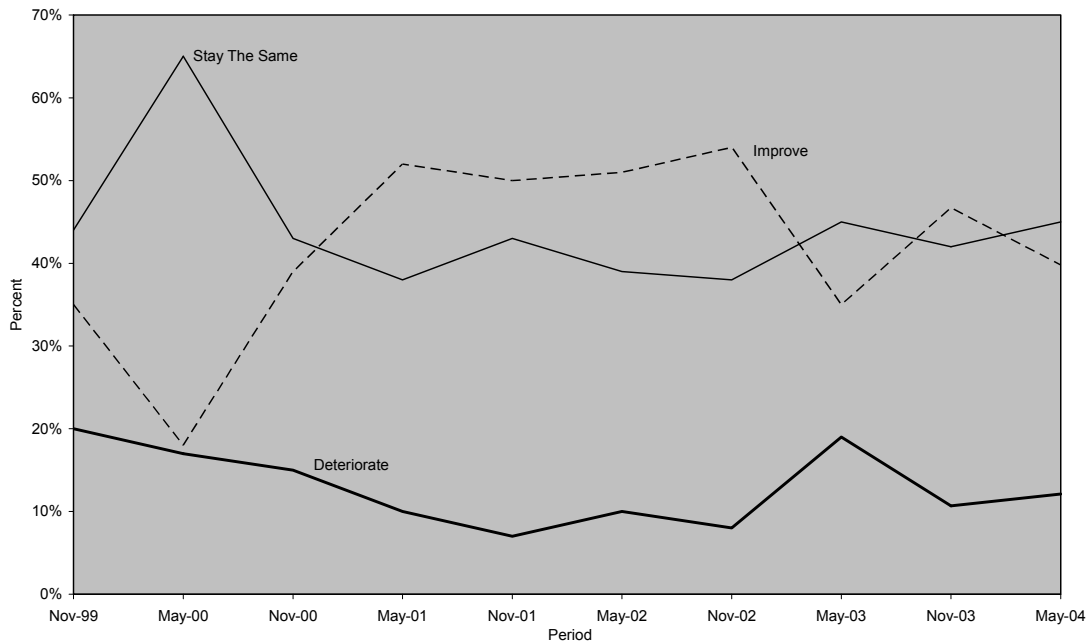
Graph 5: Sales/ Customer Levels: Predictions for the Next 6 Months



As the graph illustrates there has been a cross over since the last survey with the proportion of respondents predicting conditions will remain the same surpassing the proportion believing conditions will improve over the next six months. This shift is likely to be influenced by seasonal factors (e.g. Christmas).

When compared to the same time last year, an increase in optimism and a decrease in pessimism is apparent. The November 2003 survey reported 35% of respondents predicting conditions will improve over the following six months compared to 40% this survey.

Graph 6: Sales/ Customer Levels: Comparison of Results



Analysis by Industry:

The 'retail/ wholesale' and 'business/ property/ financial services' are most optimistic across the various industries with the majority of businesses predicting sales levels will improve over the next six months. Conversely almost half of the businesses operating in the 'restaurant/ accommodation' industry indicated sales are likely to decline over the coming period.

Table 5: Sales/ Customer Levels: Predictions for the Next 6 Months by Industry Sector

Industry Group	Improve	Same	Deteriorate	Don't Know
Ag/ Hort/ Fish/ Forest	35%	50%	16%	0%
Mining/ Oil/ Gas/ Electricity/ Water	29%	57%	14%	0%
Manufacturing	39%	51%	10%	0%
Transport/ Comms/Building/ Construction	36%	54%	8%	2%
Retail/ Wholesale	44%	39%	11%	6%
Restaurant/ Accommodation	18%	27%	46%	9%

Business/ Property/ Financial Services	55%	32%	11%	3%
Health/ Education/ Government Services	46%	46%	8%	0%
Recreational/ Personal Services	26%	58%	16%	0%

Analysis by District:

When comparing sales/ customer level predictions for the coming six months against business location, it is evident that businesses operating in the Stratford district are significantly more optimistic. A total of 52% of businesses within this area predicted an improvement in sales/ customer levels over the next six months. Although the majority of businesses in Stratford are optimistic, there are also a number (12%) who are uncertain of what the next period will bring.

The majority of New Plymouth and South Taranaki based respondents predict conditions will remain the same over the coming period, 46% and 52% respectively.

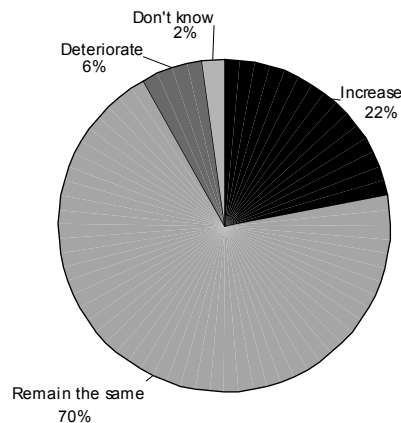
Table 6: Sales/ Customer Levels: Predictions for the next 6 Months by Taranaki District

	Business location				Total
	New Plymouth District	South Taranaki District	Stratford District	Throughout Taranaki	
Improve	41%	33%	52%	29%	40%
Remain the same	46%	52%	28%	43%	45%
Deteriorate	11%	16%	8%	29%	12%
Don't know	3%		12%		3%
Total	100%	100%	100%	100%	100%

5.4 Employment Levels

Respondents were asked to indicate how they expect employment levels to change over the coming six months. Most respondents, 70%, reported that they expected employment requirements to remain the same over the coming period. 22% indicated they expected employee numbers to increase over the period and 6% indicated that employee levels will deteriorate.

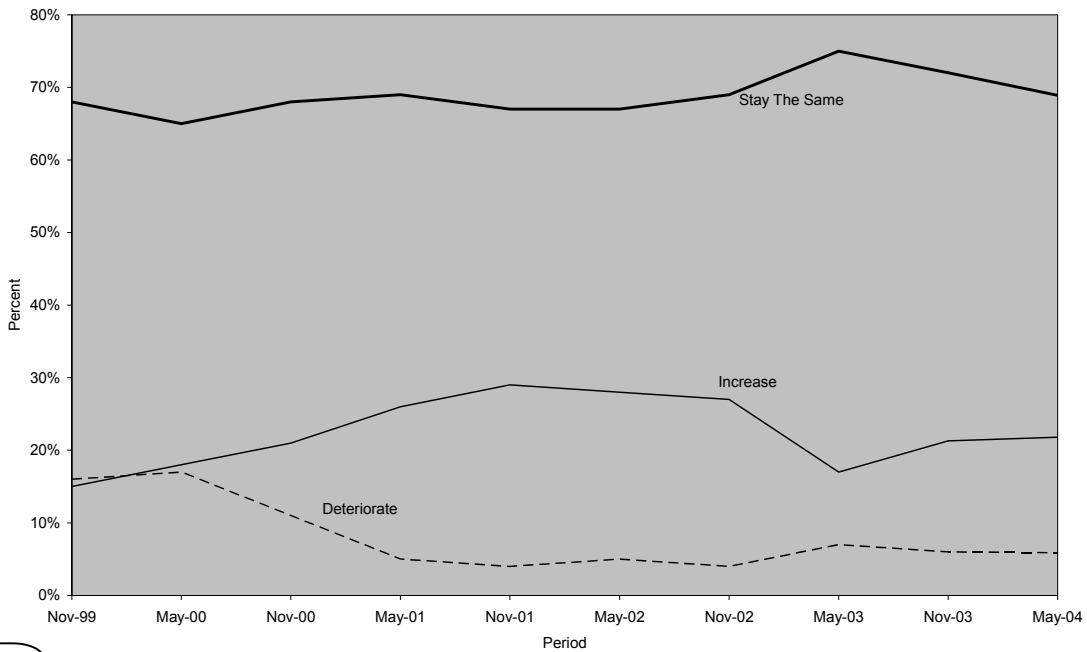
Graph 7: Employment Levels: Predictions for the Next 6 Months



Over time the majority of respondents have consistently indicated that they believe their staffing requirements for the coming period are likely to remain the same. Since the previous survey completed in November 2003, there has been no significant change in how respondents predict staffing levels to change over the coming months.

As predicted proportions have remained approximately the same since May 2001, it is likely the trend will carry forward over the coming six months.

Graph 8: Employment Levels: Comparison of Results



“Registered electrician”

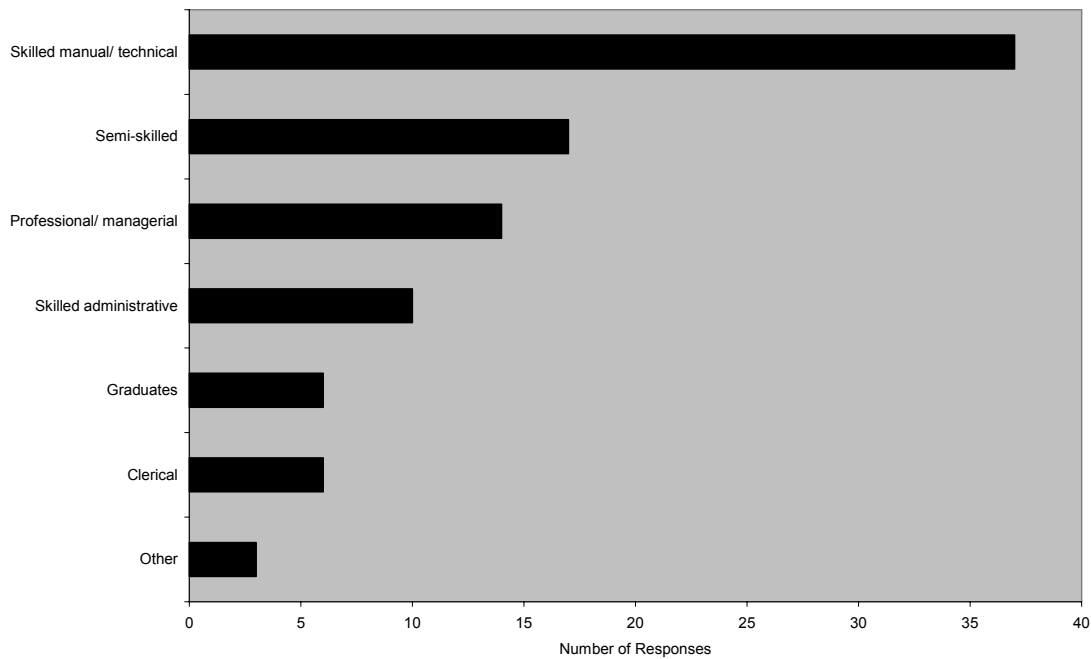
Of those businesses indicating that an increase in employee levels is likely over the coming six months (22%), ‘skilled manual/ technical’ and ‘semi-skilled’ workers were among the most requested employee types. A total of 51% and 24% (respectively) of businesses requiring employees indicated that these employee types were required.

As common with previous surveys, a number of respondents made note that qualified tradesmen and apprentice tradesmen were in high demand.

“Butchers and processors of small goods”

“There is a shortage of qualified or experienced staff - this is a nationwide problem”

Employment Levels: Required Employee Types for the Next 6 Months



Analysis by Industry:

When analysing employment demand across the industry sectors, it is evident that businesses operating within the 'business/ property/ financial services' industry are significantly more optimistic with 41% of businesses operating within this industry expect an increase in staffing levels over the coming six month period.

Businesses operating within the 'agriculture/ horticulture/ fishing/ forestry' industry sector reported the highest proportion of businesses predicting a decrease in employment levels over the next six month period.

Table 7: Employment Levels: Predictions for the Next 6 Months by Industry Sector

Industry Group	Improve	Same	Deteriorate	Don't Know
Ag/ Hort/ Fish/ Forest	24%	60%	16%	0%
Mining/ Oil/ Gas/ Electricity/ Water	14%	86%	0%	0%
Manufacturing	21%	69%	10%	0%
Transport/ Comms/Building/ Construction	20%	71%	2%	6%
Retail/ Wholesale	17%	74%	7%	1%
Restaurant/ Accommodation	9%	82%	9%	0%
Business/ Property/ Financial Services	41%	56%	0%	3%
Health/ Education/ Government Services	25%	67%	8%	0%
Recreational/ Personal Services	17%	83%	0%	0%

Analysis by District:

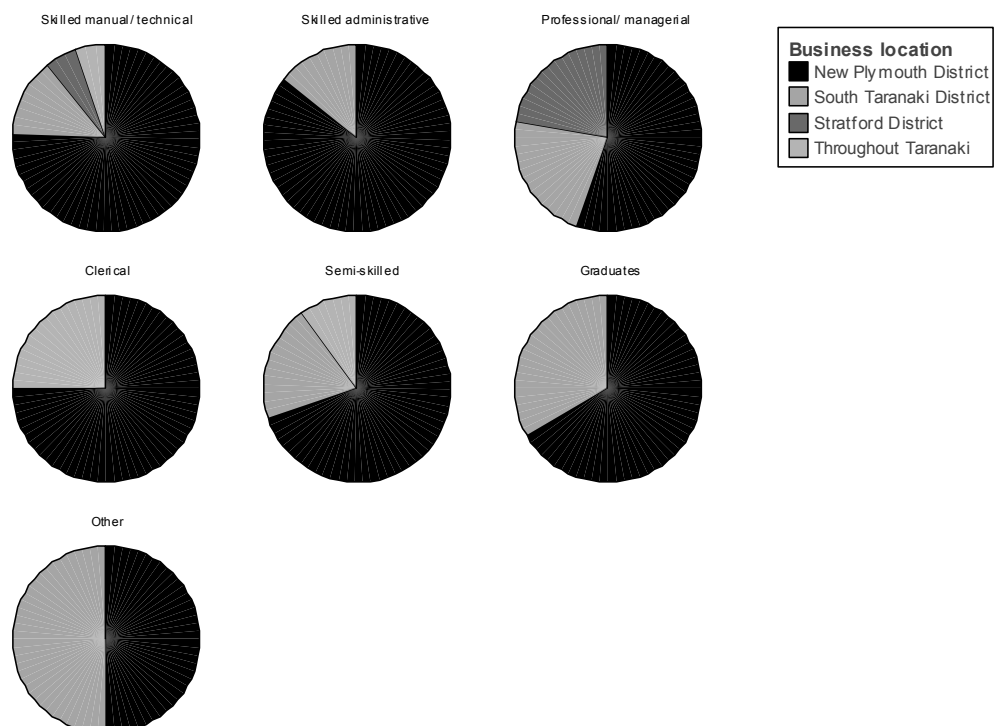
When comparing predicted employee requirements for the coming six months across Taranaki, the majority of businesses predict employment requirements are set to remain the same. 8% of Stratford business reported they could not predict conditions over the coming six months compared to 2% each for New Plymouth and South Taranaki businesses. Consistent with previous results, Stratford based businesses have a higher level of uncertainty regarding the next six months.

Table 8: Employment Levels: Predictions for the Next 6 Months by Taranaki District

	Business location				Total
	New Plymouth District	South Taranaki District	Stratford District	Throughout Taranaki	
Increase	24%	17%	16%	29%	22%
Remain the same	70%	72%	68%	57%	70%
Deteriorate	4%	9%	8%	14%	6%
Don't know	2%	2%	8%		2%
Total	100%	100%	100%	100%	100%

New Plymouth based businesses dominated demand in the majority of each employment category when analysed across the districts. Stratford businesses indicated they require 'semi-skilled' and 'professional/managerial' employees while South Taranaki businesses require a number of employees in the most categories.

Graph 10: Employment Levels: Type of Employee Required by Taranaki District

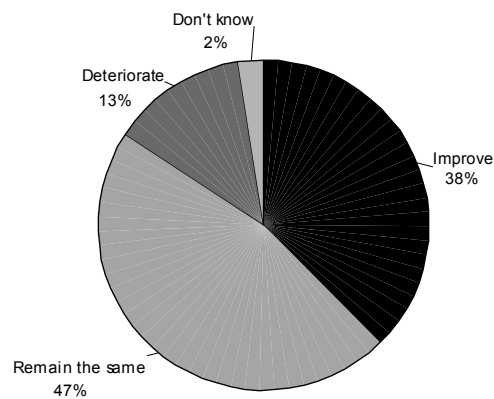


5.5 Cashflow Levels

The largest portion of businesses (46%) believe that Cashflow levels are likely to remain the same over the coming six month period. 38% predict cashflow will improve while 13% reported an expected deterioration over the period.

These results are indicative of a positive cashflow outlook for the next six months.

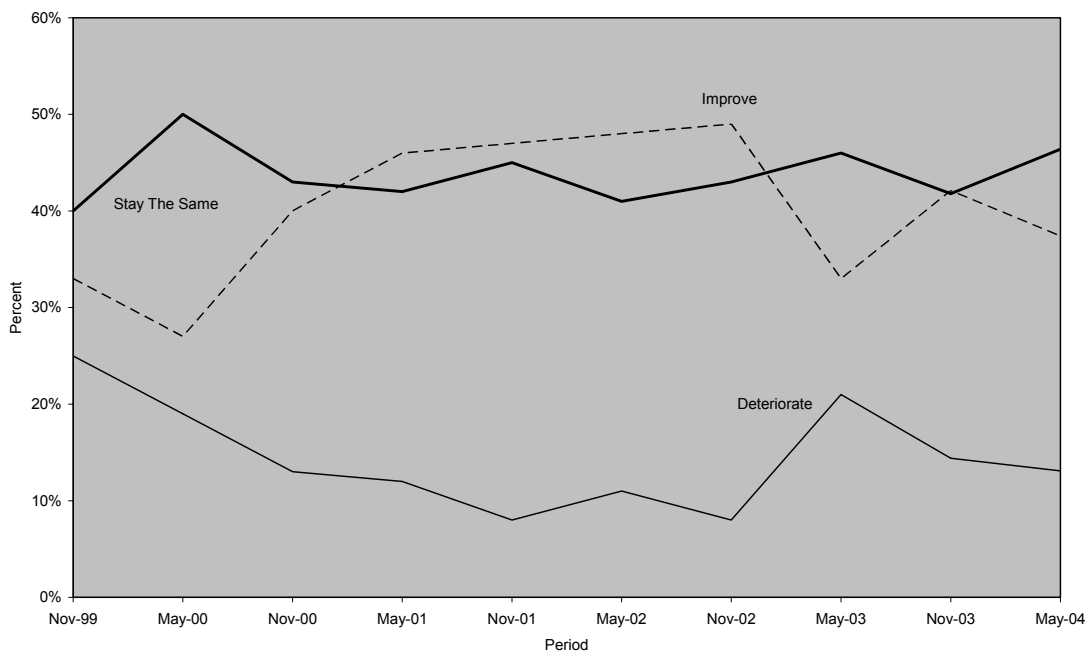
Graph 11: Cashflow Levels: Predictions for the Next 6 Months



Compared to the November 2003 survey, optimism has decreased with the majority moving from predicted improvement to remain the same this survey.

Predictions have remained fairly constant with a high level of general optimism prevailing since the initiation of the survey in 1999.

Graph 12: Cashflow Levels: Comparison of Results



Analysis by Industry:

The 'business/ property/ financial services' and 'health/ education/ government services' industries have the highest percentage of business predicting cashflow levels will improve over the coming six months. Conversely the 'restaurant/ accommodation' industry reported the most division among respondents with the same amount of respondents predicting conditions will stay the same and deteriorate over the coming months. Close to ten percent of businesses operating in this industry said they could not predict cashflow levels for the coming six months.

Table 9 Cashflow Levels: Predictions for the Next 6 Months by Industry Sector

Industry Group	Improve	Same	Deteriorate	Don't Know
Ag/ Hort/ Fish/ Forest	31%	58%	12%	0%
Mining/ Oil/ Gas/ Electricity/ Water	0%	71%	29%	0%
Manufacturing	31%	49%	18%	3%
Transport/ Comms/Building/ Construction	42%	52%	4%	2%
Retail/ Wholesale	39%	48%	10%	3%
Restaurant/ Accommodation	18%	36%	36%	9%
Business/ Property/ Financial Services	49%	33%	15%	3%
Health/ Education/ Government Services	48%	35%	17%	0%
Recreational/ Personal Services	33%	50%	17%	0%

When analysing cashflow predictions by district, the majority of businesses across Taranaki believe that cashflow levels are set to remain the same over the coming six month period.

Analysis revealed that New Plymouth and Stratford based businesses are significantly more optimistic in their predictions of cashflow levels for the next six months. A total of 41% of New Plymouth businesses and 40% of Stratford based businesses indicated an improvement is likely, this compares with 26% of South Taranaki businesses. Although optimistic, there is a high level of uncertainty among Stratford respondents with over ten percent reporting they could not predict what the next six months would deliver.

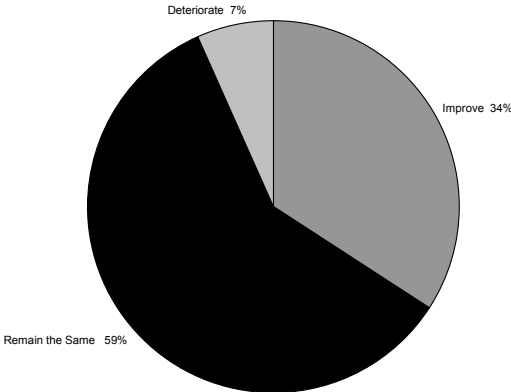
Table 10: Cashflow Levels: Predictions for the Next 6 Months by Taranaki District

	Business location				Total
	New Plymouth District	South Taranaki District	Stratford District	Throughout Taranaki	
Improve	41%	26%	40%	29%	38%
Remain the same	46%	53%	40%	43%	47%
Deteriorate	11%	19%	8%	29%	13%
Don't know	2%	2%	12%		2%
Total	100%	100%	100%	100%	100%

5.6 Export Levels

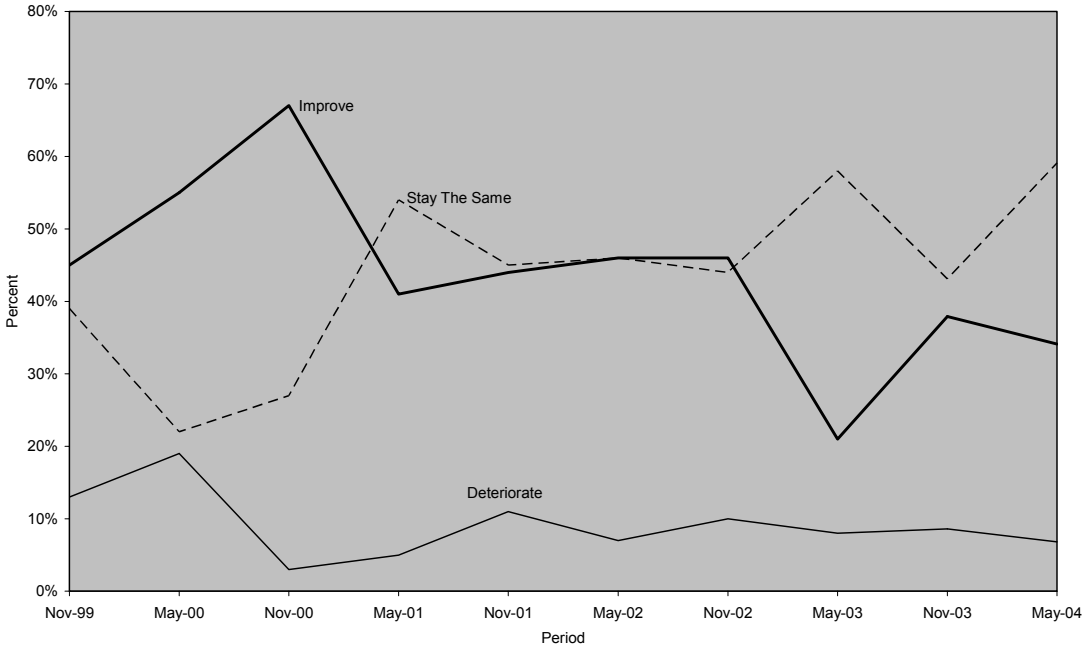
Of all respondents who took part in the survey, a total of 80% reported that they did not export. Of the 20% of business respondents that exported goods, 59% expect export conditions to remain the same over the coming six month period while 34% expect conditions to improve. Although optimism has declined compared to November results, the general export forecast remains positive.

Graph 13: Export Levels: Predictions for the Next 6 Months



Compared to a year ago, there has been a slight increase in optimism while the percentage of respondents predicting deteriorating export conditions has remained consistently below ten percent.

Graph 14: Export Levels: Comparison of Results



6.0 Comments on Taranaki Business Conditions

The survey provided respondents a section to express any pressing opinions or concerns relating to Taranaki business conditions. All together 45% respondents made a comment in this section.

“Wage rises, holiday pay and maternity pay”

32% of comments were in relation to **compliance/ regulation**. Common issues raised were compliance costs, changes to the holiday act, import/ export legislation, ACC and Pharmaceutical dispensing.

“The value of the dairy payout relative to the cost of farming land (i.e. cost of doing business)”

“Our biggest problem involves freight and customs”

18% of respondents expressed concerns about the **farming industry** and the effect on the Taranaki economy. This is a common theme identified in business surveys throughout the 2003/ 2004 farming period.

“Export returns of our customers are very poor due to the level of foreign competition and USD to NZD”

“The low dairy payout effects are now reaching local industry”

Collectively 22% of comments were in relation to the **New Zealand Dollar** and the **Property Market**. Primary concerns included the increasing cost of

“The price of second hand houses being over inflated has encouraged more people to build new homes”

“There is a shortage of qualified plumbers”

A **lack of skilled employees** accounted for one tenth of the comments made by respondents. Tradespeople were the most commonly identified type of employee in demand.

“There is a shortage of qualified or experienced staff - this is a nationwide problem”

Just over five percent of respondents commented that the **un-seasonal wet summer** had negatively affected business.

Other comments accounted for 24% of responses. Common themes arising in this section included competition with large businesses/ internet trading, the number of people visiting Taranaki and raw material price increases.

7.0 Special Topic: Work/ Leisure Balance

Respondents were asked a number of questions relating to how much time they spend at work and leisure. Work is defined as activities relating to day-to-day business operations while leisure is defined as activities individuals engage in for recreational purposes.

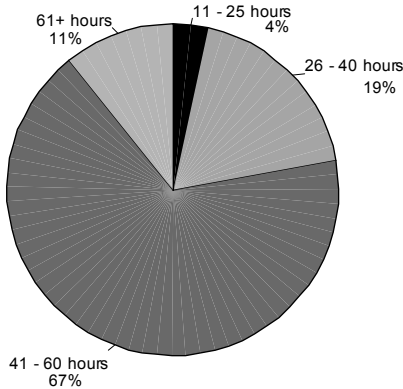
7.1 Work and Leisure

Results suggest that the majority of Taranaki business owners/ operators work more than full-time hours (40+ hours) and have less than ten hours of leisure time per week.

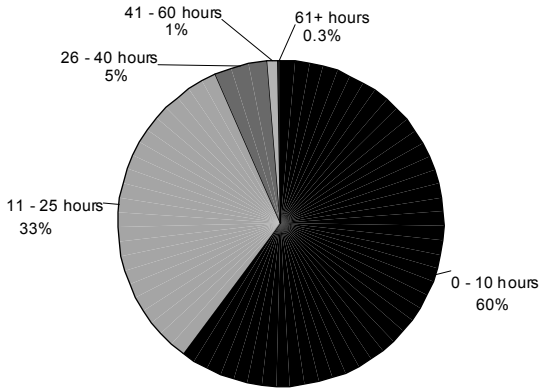
Collectively 78% of respondents reported working on average over 40 hours per week in their business. No respondents reported working less than ten hours per week however almost one quarter reported worked part-time hours (under 40 hours per week).

60% of respondents reported spending between zero and ten hours per week engaging in leisure activities.

Graph 15: Work/ Leisure Balance: Average Hours spent at Work per Week



Graph 16: Work/ Leisure Balance: Average Hours spent at Leisure per Week

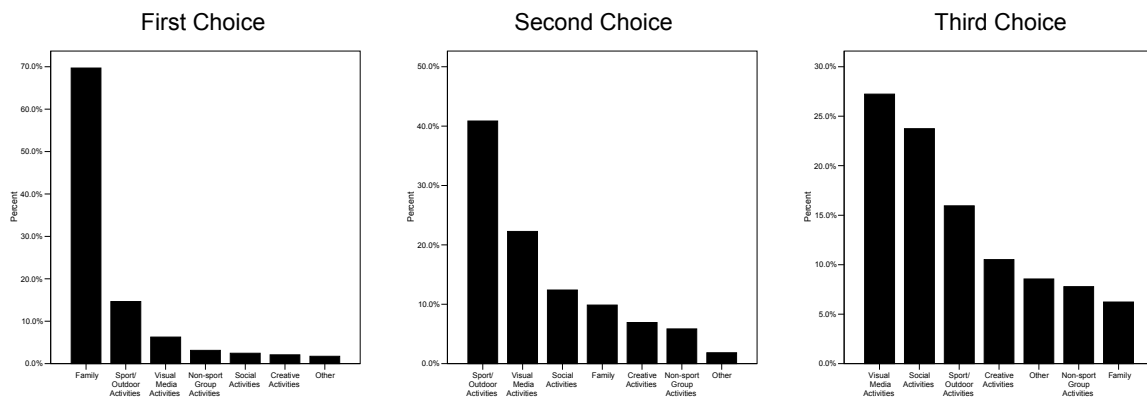


Respondents were asked to rank the top three leisure activities they spent most of their quality leisure time on out of the following options:

- Family
- Sport/outdoor activities
- Creative activities
- Social activities
- Visual media activities
- Non-sport group activities
- Other

The graphs below illustrate how respondents spend leisure time:

Graph 17: Work/ Leisure Balance: Leisure Activity Preferences



1st Choice: The large majority of respondents, 69%, reported their primary leisure activity involved spending time with family members (children, partner, and parents). Sport/ outdoor and visual media activities were the second and third most popular primary activity. Collectively these three accounted for over ninety percent of responses.

2nd Choice: 41% selected sport/ outdoor activities as their second leisure activity. Typical sporting/ outdoor activities included walking, playing sport and gardening.

3rd Choice: Finally 27% of respondents selected visual media activities. Common activities reported included visits to the cinema, watching television and reading.

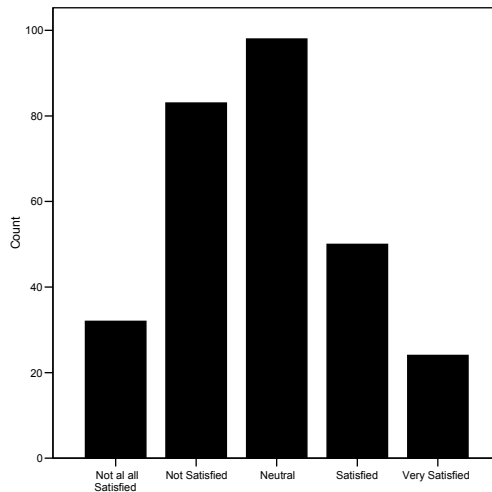
As the graphs illustrate, a wider variation of preference occurs as the rank increases. Due to the strong initial response to family activities, it can be concluded that spending time with family members is a common priority amongst the Taranaki Business community.

“I would like to be spending more time doing family/ friend orientated leisure activities that involve the whole family”

7.2 Work/ Leisure Satisfaction

Business respondents were asked to rate on a scale from one to five, with one being not satisfied at all, three being neutrals and five being very satisfied, how satisfied they were with the balance between the time they spend working compared to the time they spend engaging in leisure activities.

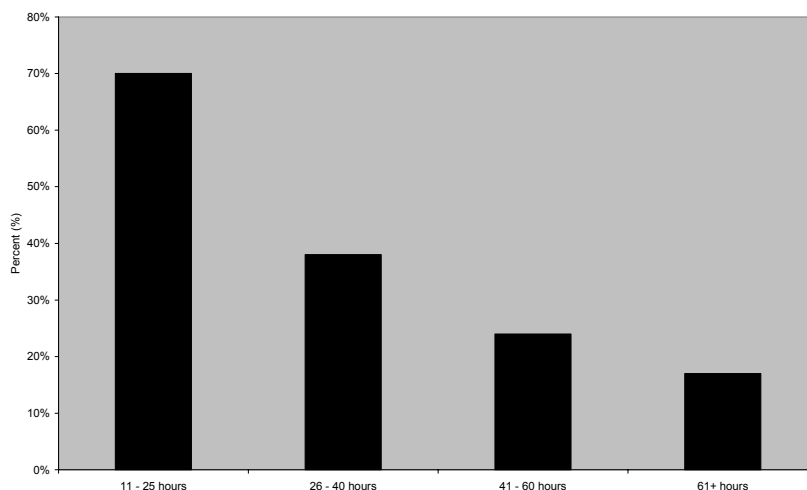
Graph 18: Work/ Leisure Balance: Satisfaction



Collectively 40% of respondents indicated they were not satisfied with the balance between how much time they spend at work and leisure. 34% reported a neutral level while the smallest portion (25%) indicated they were satisfied with the balance. Considering almost eight out of ten respondents work more than 40 hours per week and have less than ten hours of leisure time, the high level of dissatisfaction is a logical outcome.

The results also indicated that the longer respondents worked, the lower their work/ leisure satisfaction rating became. 70% of respondents who worked part-time hours reported higher levels of satisfaction (i.e. a satisfaction of 4/5 or greater) compared to 17% for those who worked over 61 hours per week.

Graph 19: Work/ Leisure Balance: 'Satisfied' Respondents by Average Business Hours Worked per Week



Respondents were given the opportunity to comment on their satisfaction rating. Generally comments can be categorized into three types; those that are happy with the balance in their lives, those who recognise the imbalance and are prepared to alter circumstances to achieve a balance, and finally those who feel they are unable to alter the balance at this time.

Satisfied respondents:

- "I am the boss with a reasonably good team, and can take it a little easy"
- "We have holiday home which we visit at least one weekend per month"
- "I work to give our customers the best service and comfort we can - if people are happy them I am satisfied"
- "We run two businesses one is work and the other pleasure"

Respondents who recognise an imbalance:

- "I need to take on more staff to alleviate the imbalance in work hours/ leisure hours – there is plenty of work available to cater for more staff"
- "When all my renovations are finished I'll be freer to do stuff simply for pleasure"
- "I am sure this comment will be reiterated, I need to make time as staffing levels are good so there are no excuses"

Respondents who recognise an imbalance however are unable to alter the balance at this time:

- "Being manager/ accountant/ secretary and chief bottle washer, business comes first"
- "No opportunity to alter balance at this stage. The business is taking up 55 hrs per week with no breaks"
- "Being a sole operator I undertake non-revenue work that a larger company could outsource"

When analysed by industry type, there is no significant relationship to indicate that business type affects how satisfied respondents were with the balance between work and leisure. Similarly the location and size of businesses does not appear to impact on the level of satisfaction operators' experience.

7.3 Priorities

Respondents were asked to rank out of ten, with zero being not important at all, five being neutral and ten being very important, how important various aspects of Taranaki were to them.

Analysis revealed that respondents rated the following lifestyle and personal factors as most important to them:

1. Quality of life
2. The public health system
3. Quality of the natural environment
4. Quality of education

Quality of life was ranked the most important factor with 58% of respondents ranking it very important (10/10). A nation wide survey commissioned by the Growth and Innovation Advisory Board revealed 46% of New Zealanders ranked quality of life as the most important factor¹. Comparing these results with Taranaki results, it is evident that the Taranaki business people value the quality of day-to-day living more than the average New Zealander.

Results from the nationwide survey were very similar to that of Taranaki. In order, the top four factors were:

1. Quality of life
2. Quality of education
3. Quality of natural environment
4. The public health system

Comparing the two sets of results (graphs 20 and 21), suggests education is less important (as a priority) to Taranaki respondents than New Zealand respondents. Conversely the health system is viewed as more important in terms of priorities.

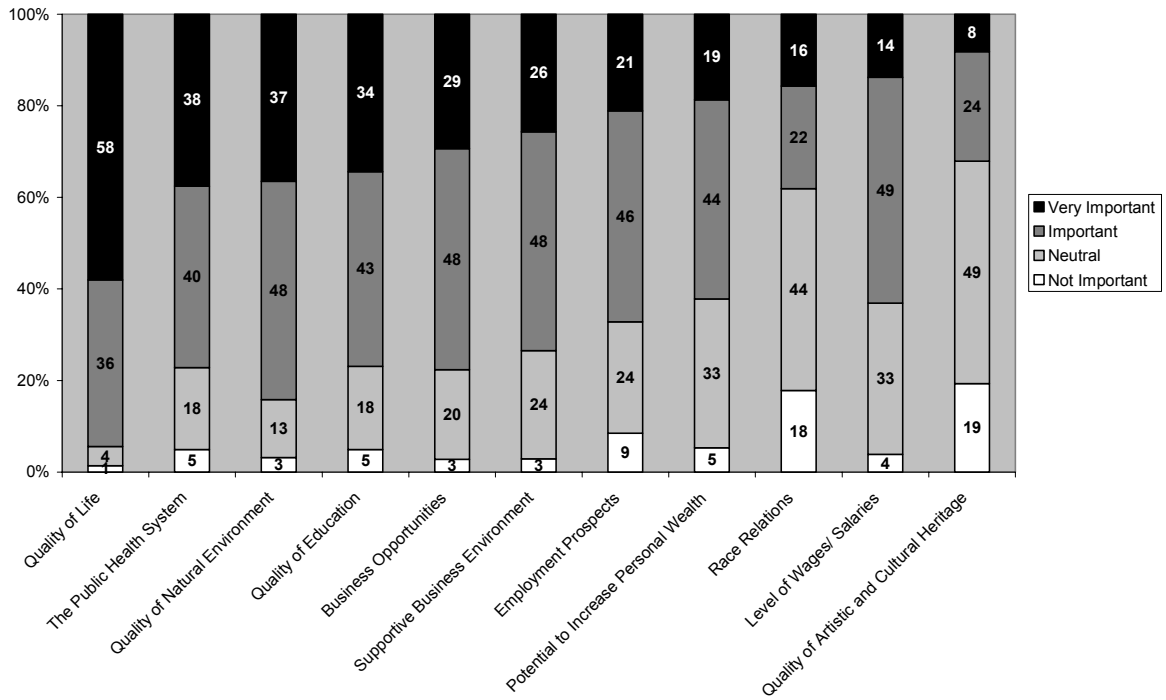
Economic issues (including business opportunities, providing a supportive business environment and employment prospects) were ranked higher in Taranaki than New Zealand.

Race relations and the quality of artistic and cultural heritage were factors considered by Taranaki respondents as not as important as other factors. Over 50% of respondents ranked these factors as either not important or neutral. New Zealand results also mirrored this finding, however to a lesser degree with 45% for artistic and cultural heritage and 32% for race relations.

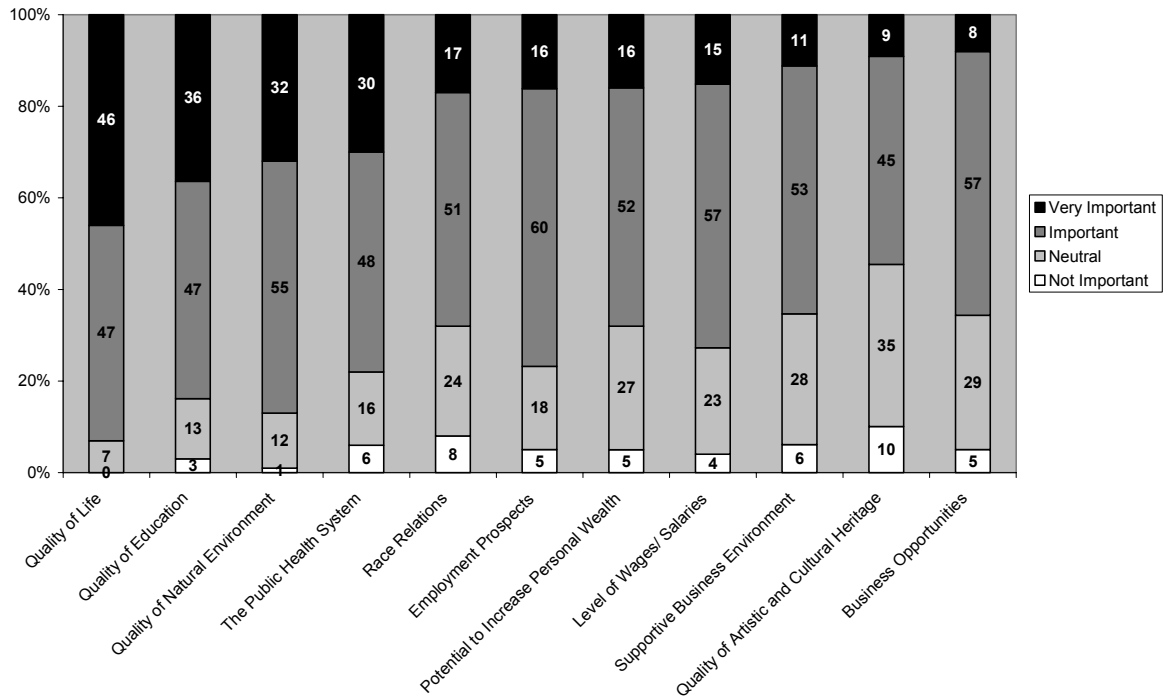
With the exception of the above mentioned factors (race relations and cultural/ artistic heritage) all other factors were rated by over half of respondents as important or very important.

¹ See a copy of the full report for a full description of methodology and results.

Graph 20: Work Life Balance: Priorities of Taranaki Business Owners/ Operators



Graph 21: Work/ Life Balance: Priorities of New Zealand



8.0 Conclusions

- Over the next 12 months general business conditions and industry conditions remain positive with the large majority of respondents predicting conditions will 'improve' or 'remain the same'. However it is acknowledged that a small element of pessimism has crept into results relative to the previous survey.
- Despite a drop in optimism on the previous survey, the prevailing forecast for sales and cashflow levels is positive with 85% of respondents predicting improved or consistent levels.
- Employment levels are forecast to stay at current levels. Collectively 92% reported no change or an increase in levels over the next six months.
- Stratford District reported a high level of optimism across the measured variables. However, this optimism was coupled with a higher than average level of uncertainty.
- Across the industries the 'mining/ oil/ gas/ electricity/ water' industry is the most optimistic industry in terms of outlook for the coming year.
- The most optimistic industry with regard to sales, employment and cashflow levels over the coming six months is the 'business/ property/ financial services' industry.
- Consistent with previous surveys, compliance/ regulation and farming payout issues are factors of primary concern to the business community at present.
- Over half Taranaki business owners/ operators work more than full-time hours and have less than ten hours of leisure time per week. 40% of respondents indicated they were not satisfied with the balance between their work and leisure time.
- Quality of life, the public health system, the natural environment and the education system were the four factors most important to the Taranaki business community.

APPENDIX

Confidence Interval at District Level:

District	Taranaki Population	Sample Size	Confidence Interval (At 95%)
New Plymouth	4,971	192	6.95%
South Taranaki	1,860	58	12.65%
Stratford	687	25	19.10%

Confidence Interval at Industry Level:

Industry Group	Taranaki Population	Sample Size	Confidence Interval (At 95%)
Ag/ Hort/ Fish/ Forest	370	26	18.75
Mining/ Oil/ Gas/ Electricity/ Water	66	7	34.50
Manufacturing	551	39	15.20
Transport/ Comms/ Building/ Construction	1,091	50	13.50
Retail/ Wholesale	1,378	71	11.30
Restaurant/ Accommodation	265	11	29.00
Business/ Property/ Financial Services	2,478	39	15.50
Health/ Education/ Government Services	710	24	19.75
Recreational/ Personal Services	594	19	22.00

NOTE: Care is needed when interpreting results with a confidence interval greater than +/- 20%.