

Business Opinion Survey

Snapshot

40%

Expect their business to perform better over the next year

24%

Expect the New Zealand business situation to improve over the next year

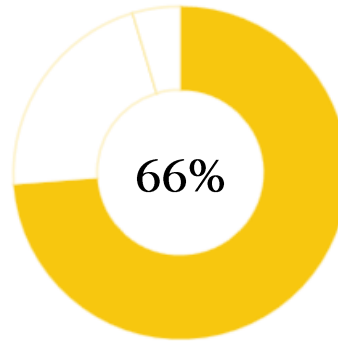
51%

Continued to see decreasing profitability for their business over the last six months

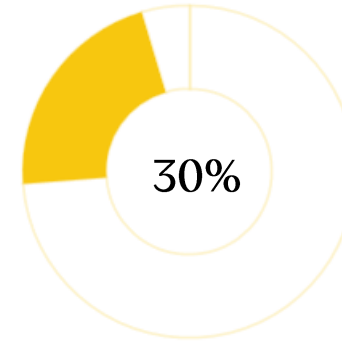
81%

Experienced increasing costs of doing business over the last six months

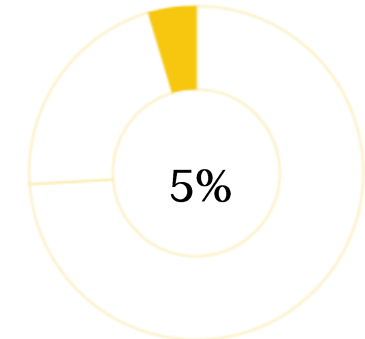
Business Size of Respondents



0-10 Employees



11-100 Employees



101+ Employees

Industries of Participants

1. Professional Services
2. Construction and Trades
3. Retail
4. Manufacturing
5. Agriculture
6. Cafes and Restaurants
7. Other

Top Issues

1. Costs of doing business
2. Geopolitical uncertainty
3. Lack of orders/sales

Key Messages

Expectations have softened across North Canterbury in April 2026.

North Canterbury businesses have dropped from net +47% confidence in the national business situation in April 2025 to net -17% now, reversing the strong optimism seen late last year. This is a larger drop than businesses nationwide who registered a drop from net +23% to net +1% over the same period.

While businesses remain cautiously positive about their own performance (net +16%), this has fallen significantly from net +60% a year ago, indicating a broad loss of momentum.

Profitability continues to remain under pressure with net 24% more businesses reported decreased profitability than increased profitability.

Business continue to report employing greater numbers of staff with net +17% of businesses reporting an increased level of employing over the last six months.

35% of businesses report that the single most limiting factor for them is the cost of doing business. 23% of businesses report that geopolitical uncertainty is their biggest limiting factor

Fuel costs have proven a notable issue in this survey, with businesses stating an average of 24% of their total operating costs being fuel. There was a wide range of exposure with businesses having between 0% - 95% of their operating costs being fuel.

32% of businesses reported that fuel availability and price stability is critical to core operations, while a further 48% reported fuel as being somewhat critical.

94% of businesses showed some level of concern at the potential impact of volatility in fuel prices and availability. 31% were highly concerned.

56% of businesses had some level of mitigation in place.

**Net scores are calculated by working out the percentage of answers given that are positive, neutral and negative and then subtracting the negative percentage from the positive percentage.*

Business Confidence

Confidence in the New Zealand business situation has shifted sharply downwards for North Canterbury businesses, decreasing from net +47% last year to -17% now. 24% of local businesses feel that the business situation in New Zealand will improve over the next 12 months while 46% feel that the situation will deteriorate.

Businesses also are also tending towards the negative for their industries (net -5%) while remaining positive for their districts (net +6%) and for their own individual businesses (net +16%).

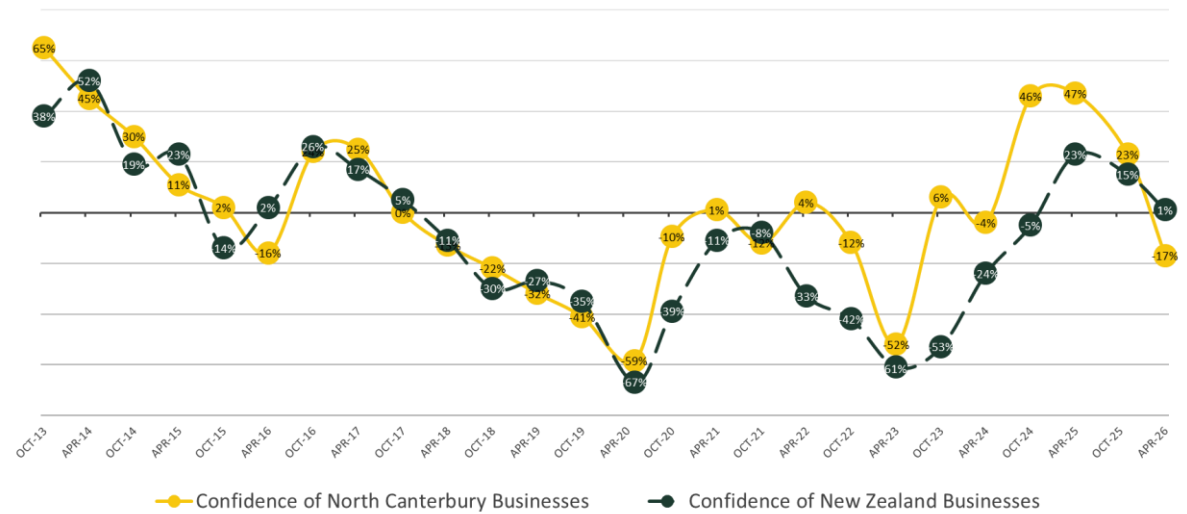
Confidence overall has dropped sharply reflecting the impact that geopolitical influences are having on the New Zealand business environment.

Context:

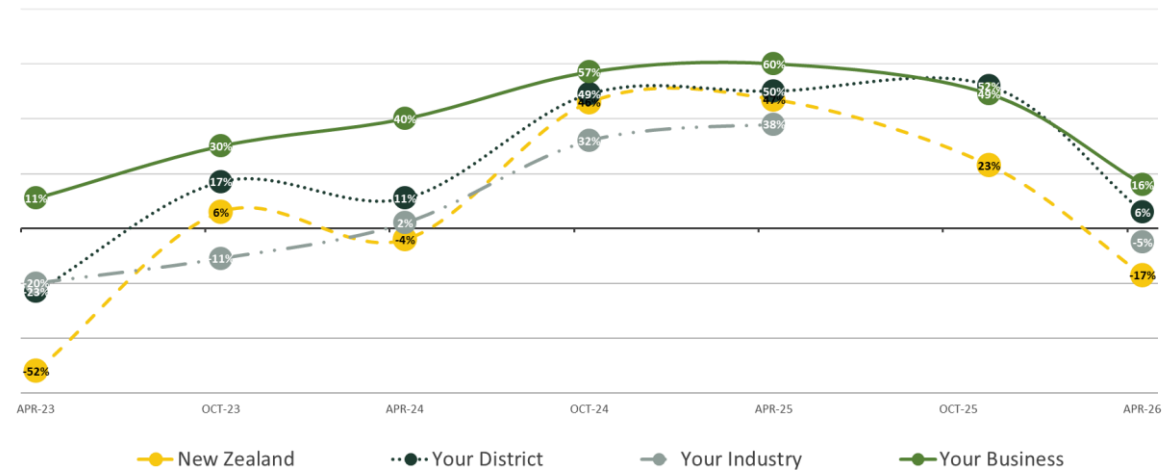
The sharp decline in business confidence appears to be linked to increasing geopolitical uncertainty and rising fuel costs.

Survey responses indicate heightened concern around global instability, particularly in relation to events in the Middle East, alongside the direct impact of higher fuel prices on operating costs. This is reflected both in participant comments and in the increased reporting of geopolitical uncertainty as a constraint on business activity.

Confidence: New Zealand Business Situation



Local Business Confidence regarding:



Operations

Profitability:

Profitability continues to decline in North Canterbury. 51% of businesses in North Canterbury reported a decrease in profitability over the last six months while 27% saw profits increase (net -24%). While this is still a decrease, it is not as stark as the net -42% we recorded in April 2024

Sales Volumes:

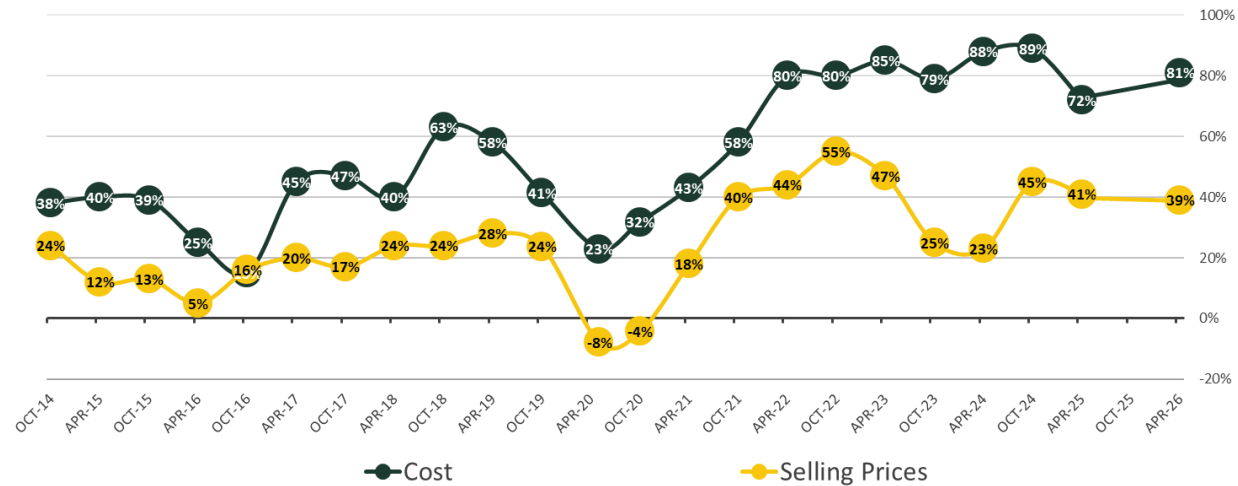
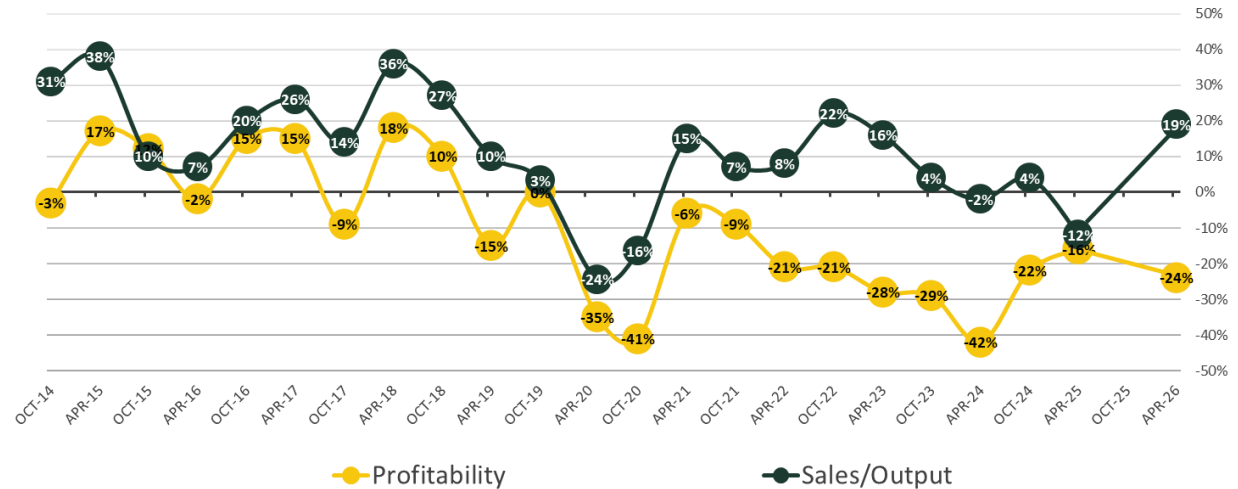
Sales have increased by net +19% in North Canterbury, with 41% of businesses reporting increased sales levels and 22% reporting a decrease in sales.

Cost of Doing Business:

81% of businesses reported that the cost of doing business continues to rise for them. No businesses reported a decrease in the costs of doing business (net +81%). The cost of doing business has been cited as the most limiting factor for 35% of businesses.

Impact on Pricing:

40% of businesses reported that they put up their prices in the last six months while 1% decreased their prices (net +39%).



Operations

Context:

There has been a sharp downward turn in confidence for North Canterbury businesses since this time last year. The key influence behind this appears to be linked to geopolitical uncertainty and increasing fuel costs.

This has been reflected on the ground in discussions we have with business owners along with a general pause we have noticed in investor intentions.

North Canterbury businesses overall are continuing to operate in a tough environment.

Survey Feedback:

“Geopolitical uncertainty playing a big part in drop in sales”.

“Poor government policies and lack of any policies to promote small NZ business”.

“Fuel additional costs and delivery costs add additional costs along with wages percentage increased costs to the employer since April”.

“With the increased fuel costs affecting every aspect of production, I'm not sure we're going to survive this”.

“Being in the construction industry fuel is a high cost to projects, possible slight concern that things were just starting to pick up again and this may affect the construction industry and projects will slow again.”

“Poor and lacking leadership from central government to address serious ongoing concerns to local businesses regarding increasing product costs over the last 2-3 years and immediate cost increases eg: Constant rising electricity costs, constantly increasing material costs, rising fuel prices, constantly rising cost of living, etc”.

“Whilst the fuel price does not affect the business to great extent internally, externally we are already seeing that travel is being impacted - both domestic and international”.

“Fuel additional cost added to invoices. A concern if fuel runs short to maintain business machinery movements. Some customers are waiting to do work at a later time”.

“The ongoing supply of diesel is critical, and while we have secured certainty of supply with our supplier, we have very little confidence in the government's management of the fuel crisis, as a result we are taking steps ourselves to minimise the impact”.

“Higher costs mean higher price for end product. Government and Corporate seem disconnected from the real world and think they can just keep putting prices and wages up for their own sectors, and everyone just has to keep paying. This feels like we are heading into a major recession”.

“The (lack of) travelling public will impact this business if fuel is in short supply”.

Employment Trends

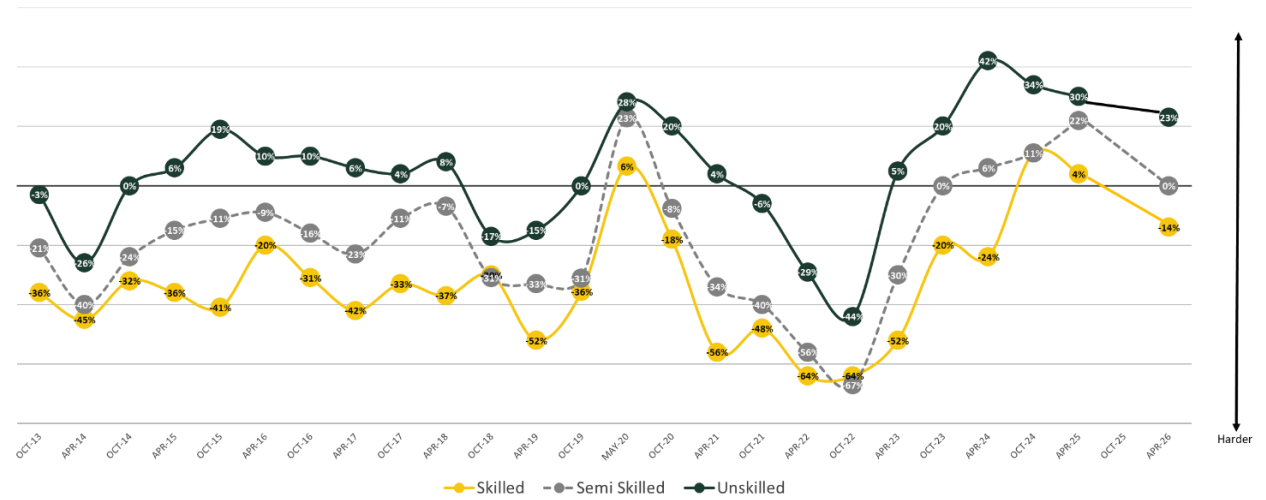
Staffing numbers are seeing an increase with 30% of employers confirming an increase in their levels of staffing and 13% reporting a decrease (net +17%).

Employers report that it is easier than six months ago to recruit unskilled staff with a net +23% improvement. Semi-skilled staff have seen no change at net +0% and it has become harder to find skilled staff with a net -14% result.

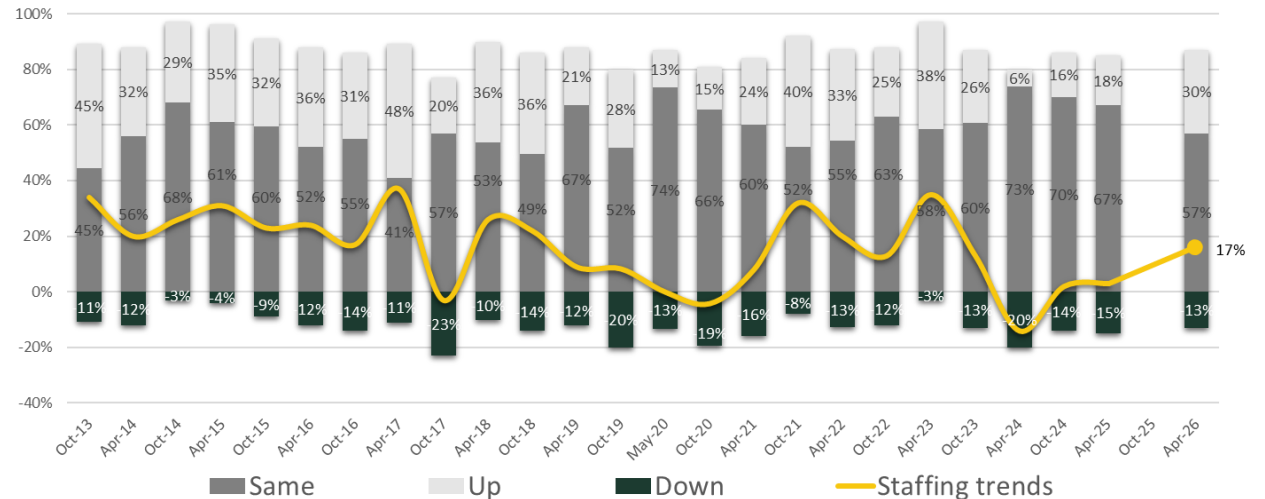
Employers report that the most used methods of finding staff are word of mouth (68%), internet advertising (57%) and social media (51%).

We ranked how successful each method is for sourcing staff and found the most successful methods (averaged over the last 5 years) are internet advertising (53% effectiveness), word of mouth (38%) and recruitment companies (37%).

Finding Staff



Employment Trends in North Canterbury



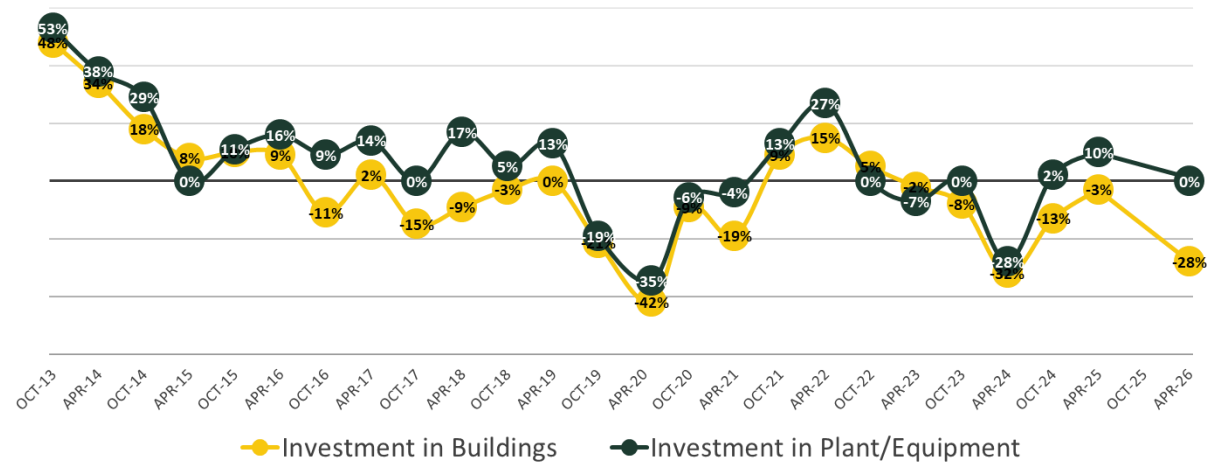
Investment

Investment intention in buildings has shown a sharp drop from net -3% last year to net -28% now.

Investment in plant and equipment has levelled off with as many people slowing down their investment intentions (28%) as are planning on spending more on plant and equipment (28%).

Discussions with building developers and other investors reflect that many operators are holding off on discretionary investment until the current global situation is more predictable and there is more certainty around fuel prices.

Predicted Investment



Who completed the survey?

The North Canterbury Business Opinion Survey is administered online every six months for the Waimakariri and Hurunui districts. The results of this survey should always be considered as an indication of the views of local businesses given the sample sizes involved and is best used for identifying trends.

- 65 businesses responded to this survey
- 51 respondents were from Waimakariri, 10 were from Hurunui and 4 considered that they are based equally in both districts.

Industry

Professional Services	14
Retail	11
Construction and Trades	10
Manufacturing	7
Cafes and Restaurants	6
Agriculture	5
Health	4
Tourism	4
Education	4
Accommodation	3
Transport and Storage	3
Forestry	2
Horticulture	2
Wholesale Trade	2
Infrastructure	1
Technology	1
Personal Services	1

Some businesses identify as operating in more than one industry

Number of Employees

0 employees	5
1-10	43
11-20	6
21-50	5
51-100	3
101-200	2
Over 200	0

Enterprise North Canterbury Sponsors

We would like to thank our ENC sponsors. Our sponsors support ENC's mission to assist businesses in the North Canterbury region to grow and thrive and to bring new investment into the area. The funding they provide assists us greatly in making North Canterbury a better place for business.

We encourage you to use our sponsors' services.

Corporate Sponsor



Our Valued Sponsors

