

27 February 2017

NZ small business underpin “rockstar” economy

New Zealand’s strong economic credentials have been given a ringing endorsement in the latest survey of small businesses across Asia Pacific, with growth expectations at a record high.

The Asia Pacific Small Business Survey 2016, commissioned by global accounting body CPA Australia, showed New Zealand small businesses are growing strongly, adding new jobs and expect even better performance this year, this country’s strongest showing in the six years it has been included in the survey.

Growth expectations for 2017 are the headline figure – 71 per cent expect to grow their business in 2017, a figure that significantly better than the other developed markets surveyed – Hong Kong, Singapore and Australia.

One in five businesses reported hiring new employees during the year – double the figure recorded in Australia – and New Zealand was the only country in the survey where expectations for employment (as recorded in 2015) matched what actually occurred in 2016. In all other countries, expectations exceeded the reality.

Highlights from the 2016 survey (see attached) include:

- Nearly 60 per cent of respondents reported growing their business last year
- More than 70 per cent of respondents expect to grow their business in 2017
- Nearly 20 per cent of respondents increased employee numbers last year
- One in four businesses expect to hire additional staff this year

The results show New Zealand outstripped both Asia Pacific economic powerhouses Australia and Singapore but remain below the developing economies of Indonesia and Vietnam.

Commenting on the results, CPA Australia chief executive Alex Malley says the results justify New Zealand’s reputation for its “rock-star economy”.

“New Zealand recorded the largest percentage increase in the number of businesses expecting the domestic economy to grow this year, demonstrating strong confidence at a business grassroots level,” he said.

“Small business growth is critical to a nation’s economic health and this report suggests New Zealand is in a very good place at the moment.”

“For me, the growth and employment expectations are particularly noteworthy.”

“Contrast New Zealand’s performance with Australia, particularly around actual and intended employment, and it makes sobering reading on this side of the Ditch,” Malley comments.

There are a few line items of concern, particularly around the slow uptake of social media and online selling in comparison to New Zealand’s Asian competitors.

MEDIA RELEASE



Across the region, the survey found that small businesses that are growing are significantly more likely to be focussing on innovation, e-commerce, social media, training and exporting.

New Zealand topped the rankings of small businesses reporting that they found it easy to access external finance over the past 12 months. However, looking ahead, there was a drop in the number of small businesses reporting they expected it to be easy to access finance.

“With great uncertainty around global market conditions, that might be one for business leaders to keep an eye on in 2017 and beyond,” Mr Malley said.

The CPA Australia Asia-Pacific Small Business Survey provides annual insights into the views of small businesses across eight markets in the region. This is the seventh year the research has been conducted.

The full results of the CPA Australia Asia-Pacific Small Business Survey can be viewed here.
<https://www.cpaaustralia.com.au/professional-resources/business-management/small-business/asia-pacific-small-business-survey>

ENDS

For more information or to arrange an interview with Alex Malley, please contact: Nick Smith 021 055 3644

BE HEARD.
BE RECOGNISED.

