

Expectations

We remain positive about the economy in the next 12 months

Larger businesses are twice as positive about the New Zealand economy over the coming year (78% compared to 39% of small businesses).

79%

expect the Manawatū economy to be stronger, up from 69% in Q1

66%

expect the New Zealand economy to be stronger, up from 59% in Q1

Barriers

Consumer confidence and demand remain our top challenge, but inflation is now third equal

Consumer confidence & demand 60%

Increased compliance costs 35%

Productivity and growth 33%

Inflation and interest rates 33%

Costs

Less of us expect costs to increase for our businesses in the coming year

Inflation, wage costs and compliance costs were identified as our biggest cost drivers.

Inflation 79%

Wage costs 67%

Compliance costs 63%

These are the same top three as Q1, but inflation has jumped over wage costs as our top cost driver

Labour

Labour market is not seen as a constraint

Almost all respondents noted only moderate or no impact from labour market constraints.

Larger businesses are more than twice as likely to have had experienced labour market impacts in the last quarter.

81%

Q1 moderate or no impact

96%

Q2 moderate or no impact

Direction

Most businesses continue to think the Government is performing better

65% in Q1
66% in Q2

of businesses think the Government is performing moderately or substantially better



25%

of business think performance is the same, compared to 17% in Q1

Results are from a survey run by the Manawatū Business Chamber in Q2 July 2025 and analysed by Third Bearing Limited.

The survey will be run every three months. The next one is coming out in September 2025.

