



Media Release

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ANZ pledges \$500m to boost business start-ups

- Plunge in enterprise births threatens 'employment backwater', bank warns -

New Zealand risks becoming an "employment backwater" unless more is done to help people turn ideas into new businesses that will create jobs, the country's largest business lender has warned.

Fred Ohlsson, Managing Director of ANZ Business Banking, says business ideas needed to boost employment and growth risk dying off as official figures* show that business start-ups have plunged to their lowest level since at least 2000.

Business 'deaths' have outnumbered 'births' for the past three years meaning the total number of enterprises has been falling since 2009.

ANZ moved to highlight the issues today as it announced a new \$500 million package to support new business start-ups.

Mr Ohlsson says: "It is alarming that nearly 30,000 fewer businesses were born last year than in 2004, yet new enterprises are the key to creating jobs. If we're serious about getting unemployment down in New Zealand we must do all we can to boost business start-ups.

"Today's backyard entrepreneur can be tomorrow's market leader, hiring hundreds along the way. But these people need help to take their ideas beyond the garage and on to success in the marketplace. Without it, more great ideas will die and New Zealand risks becoming an employment backwater," Mr Ohlsson says.

"It has always been a big leap to turn an idea into a viable business but the challenges appear to be mounting. Start-ups tell us one of their toughest tests is finding the right support: both the capital to get started, and the advice and tools to put a new venture on a sustainable footing."

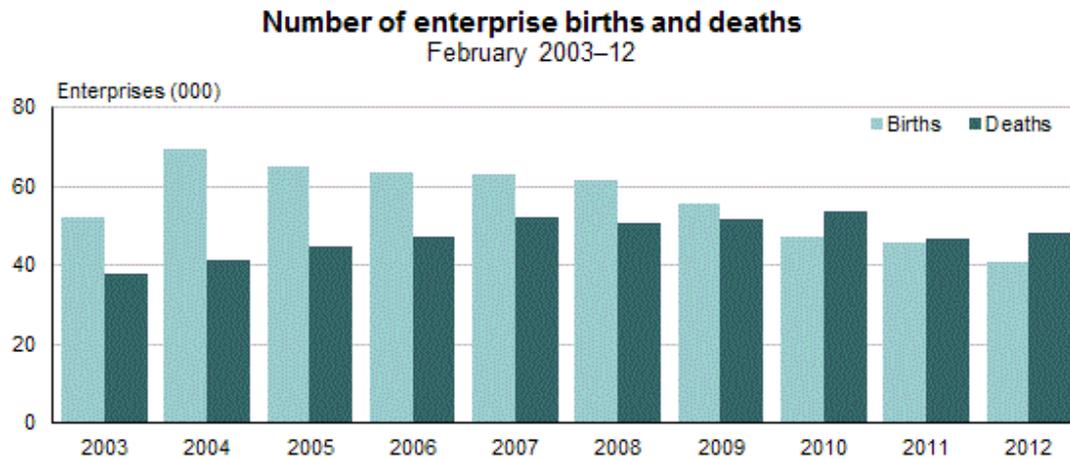
ANZ's new start-up package is designed to make it quicker and easier for start-ups to secure the funding and advice they need to get viable businesses off the ground.

ANZ business start-up package

- A dedicated fund of at least \$500 million over two years for new lending to support business start-ups across New Zealand
- Streamlined process making it quicker and easier for those with viable business plans to secure start-up funding
- No transaction fees for the first year on your ANZ Business Current Account
- Free workshops across New Zealand, open to customers and non-customers with new business ideas
- An online resource centre with free information and advice covering each stage of starting a business – available at anz.co.nz/bizhub

"Small firms with one to 20 staff are the engine room of the New Zealand economy, accounting for 90 per cent of businesses and one in three jobs. Our business start-up package reflects ANZ's commitment to enterprise and is an investment in New Zealand's economic future," Mr Ohlsson says.

* Statistics New Zealand: NZ Business Demography Statistics 2012. This records **40,690 new enterprise 'births'** in New Zealand, **a fall of 11.2 per cent** on the previous year. This was the **lowest birth rate since comparable data was first collected** in 2000. There were **469,120 enterprises** in total, **down by 0.8 per cent** on the previous year.



Source: Statistics New Zealand

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