

Regional Recap

March 2020



**BUSINESS
NSW**

Key Business Conditions

NSW Total 1646 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-34.7	18.2%	28.9%	52.9%	-34.0	↓	4.7%	8.2%	87.1%	-82.4
Total Capital Spending	-32.3	14.5%	38.8%	46.7%	-17.7	↓	9.3%	21.9%	68.8%	-59.4
Total Operating Costs	10.8	26.2%	58.4%	15.4%	33.9	↓	22.3%	50.6%	27.1%	-4.8
Total Sales Revenue	-46.4	15.0%	23.7%	61.3%	-25.8	↓	5.5%	11.9%	82.7%	-77.2
Total Profit	-53.8	13.1%	20.0%	66.9%	-39.9	↓	4.2%	10.8%	85.0%	-80.8
Total Staff Numbers	-18.9	7.9%	65.2%	26.9%	-8.9	↓	3.0%	49.8%	47.2%	-44.3

Capital Region 108 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-74.1	3.7%	18.5%	77.8%	-46.2	↓	5.6%	5.6%	88.9%	-83.3
Total Capital Spending	-41.3	12.5%	33.8%	53.8%	-27.3	↓	11.5%	28.2%	60.3%	-48.7
Total Operating Costs	-3.4	19.5%	57.5%	23.0%	36.4	↓	19.5%	57.3%	23.2%	-3.7
Total Sales Revenue	-79.3	2.3%	16.1%	81.6%	-45.5	↓	3.6%	8.4%	88.0%	-84.3
Total Profit	-83.5	2.4%	11.8%	85.9%	-52.4	↓	2.4%	7.2%	90.4%	-88.0
Total Staff Numbers	-33.3	3.6%	59.5%	36.9%	-22.7	↓	2.7%	51.4%	45.9%	-43.2

Central Coast 55 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-14.5	25.5%	34.5%	40.0%	-12.9	↓	10.9%	10.9%	78.2%	-67.3
Total Capital Spending	-37.8	6.7%	48.9%	44.4%	-3.7	↓	6.8%	25.0%	68.2%	-61.4
Total Operating Costs	12.8	31.9%	48.9%	19.1%	32.1	↓	25.0%	52.3%	22.7%	2.3
Total Sales Revenue	-14.9	25.5%	34.0%	40.4%	0.0	↓	6.8%	18.2%	75.0%	-68.2
Total Profit	-36.2	17.0%	29.8%	53.2%	-10.7	↓	4.7%	16.3%	79.1%	-74.4
Total Staff Numbers	-17.8	6.7%	68.9%	24.4%	-7.1	↓	2.5%	57.5%	40.0%	-37.5

Key Business Conditions

Central West 80 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-48.8	13.8%	23.8%	62.5%	-26.5	↓	6.3%	8.8%	85.0%	-78.8
Total Capital Spending	-26.2	18.0%	37.7%	44.3%	-35.7	↑	5.2%	15.5%	79.3%	-74.1
Total Operating Costs	10.8	26.2%	58.5%	15.4%	31.0	↓	25.4%	42.9%	31.7%	-6.3
Total Sales Revenue	-58.5	7.7%	26.2%	66.2%	-24.1	↓	3.2%	14.5%	82.3%	-79.0
Total Profit	-66.7	9.1%	15.2%	75.8%	-34.5	↓	1.6%	14.8%	83.6%	-82.0
Total Staff Numbers	-12.5	4.7%	78.1%	17.2%	3.4	↓	0.0%	59.3%	40.7%	-40.7

Coffs Harbour – Grafton 57 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-29.8	15.8%	38.6%	45.6%	-41.9	↑	1.8%	10.5%	87.7%	-86.0
Total Capital Spending	-28.9	6.7%	57.8%	35.6%	-37.0	↑	14.0%	27.9%	58.1%	-44.2
Total Operating Costs	31.3	37.5%	56.3%	6.3%	53.6	↓	32.6%	56.5%	10.9%	21.7
Total Sales Revenue	-25.0	15.9%	43.2%	40.9%	-42.9	↑	2.2%	22.2%	75.6%	-73.3
Total Profit	-41.3	10.9%	37.0%	52.2%	-60.7	↑	2.3%	15.9%	81.8%	-79.5
Total Staff Numbers	-20.4	8.2%	63.3%	28.6%	-10.7	↓	0.0%	65.1%	34.9%	-34.9

Far West and Orana 39 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-41.0	15.4%	28.2%	56.4%	-46.2	↑	2.6%	10.3%	87.2%	-84.6
Total Capital Spending	-45.7	8.6%	37.1%	54.3%	-16.7	↓	11.8%	26.5%	61.8%	-50.0
Total Operating Costs	-13.9	13.9%	58.3%	27.8%	41.7	↓	14.3%	48.6%	37.1%	-22.9
Total Sales Revenue	-77.1	2.9%	17.1%	80.0%	-41.7	↓	12.1%	9.1%	78.8%	-66.7
Total Profit	-80.0	2.9%	14.3%	82.9%	-33.3	↓	6.3%	6.3%	87.5%	-81.3
Total Staff Numbers	-35.3	2.9%	58.8%	38.2%	-16.7	↓	5.9%	35.3%	58.8%	-52.9

Key Business Conditions

Hunter Valley exc. Newcastle 96 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-38.5	18.8%	24.0%	57.3%	-43.5	↑	4.2%	7.3%	88.5%	-84.4
Total Capital Spending	-22.1	20.8%	36.4%	42.9%	-11.1	↓	6.6%	21.1%	72.4%	-65.8
Total Operating Costs	12.0	25.3%	61.4%	13.3%	11.1	↑	25.0%	46.3%	28.8%	-3.8
Total Sales Revenue	-52.4	11.0%	25.6%	63.4%	-33.3	↓	6.3%	6.3%	87.3%	-81.0
Total Profit	-59.0	8.4%	24.1%	67.5%	-50.0	↓	3.8%	5.0%	91.3%	-87.5
Total Staff Numbers	-22.0	6.1%	65.9%	28.0%	-11.1	↓	1.3%	44.9%	53.8%	-52.6

Illawarra 79 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-43.0	12.7%	31.6%	55.7%	-38.7	↓	3.8%	7.6%	88.6%	-84.8
Total Capital Spending	-27.4	14.5%	43.5%	41.9%	-17.4	↓	4.8%	24.2%	71.0%	-66.1
Total Operating Costs	9.0	20.9%	67.2%	11.9%	45.8	↓	16.9%	55.4%	27.7%	-10.8
Total Sales Revenue	-50.8	9.2%	30.8%	60.0%	4.2	↓	3.2%	12.7%	84.1%	-81.0
Total Profit	-54.0	11.1%	23.8%	65.1%	-8.3	↓	1.6%	12.7%	85.7%	-84.1
Total Staff Numbers	-10.8	10.8%	67.7%	21.5%	8.0	↓	5.1%	50.8%	44.1%	-39.0

Mid North Coast 74 Respondents		Current					Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-48.6	13.5%	24.3%	62.2%	-30.0	↓	2.7%	13.5%	83.8%	-81.1
Total Capital Spending	-48.4	9.7%	32.3%	58.1%	-2.6	↓	1.7%	20.0%	78.3%	-76.7
Total Operating Costs	4.5	21.2%	62.1%	16.7%	60.0	↓	25.4%	42.9%	31.7%	-6.3
Total Sales Revenue	-57.8	10.9%	20.3%	68.8%	-15.0	↓	0.0%	4.8%	95.2%	-95.2
Total Profit	-56.3	12.5%	18.8%	68.8%	-20.0	↓	0.0%	6.6%	93.4%	-93.4
Total Staff Numbers	-36.1	3.3%	57.4%	39.3%	-7.7	↓	3.7%	37.0%	59.3%	-55.6

Key Business Conditions

Murray 83 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-14.5	24.1%	37.3%	38.6%	-40.0	↑	6.0%	13.3%	80.7%	-74.7
Total Capital Spending	-20.5	17.8%	43.8%	38.4%	-35.1	↑	7.2%	21.7%	71.0%	-63.8
Total Operating Costs	21.3	30.7%	60.0%	9.3%	30.8	↓	21.4%	52.9%	25.7%	-4.3
Total Sales Revenue	-23.0	21.6%	33.8%	44.6%	-41.0	↑	4.3%	22.9%	72.9%	-68.6
Total Profit	-40.8	16.9%	25.4%	57.7%	-50.0	↑	2.9%	17.6%	79.4%	-76.5
Total Staff Numbers	-1.4	11.4%	75.7%	12.9%	-23.7	↑	0.0%	58.2%	41.8%	-41.8

New England and North West 79 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-27.8	21.5%	29.1%	49.4%	-61.9	↑	5.1%	8.9%	86.1%	-81.0
Total Capital Spending	-38.2	19.1%	23.5%	57.4%	-55.9	↑	12.3%	21.5%	66.2%	-53.8
Total Operating Costs	22.9	34.3%	54.3%	11.4%	32.4	↓	25.8%	53.0%	21.2%	4.5
Total Sales Revenue	-52.9	15.7%	15.7%	68.6%	-54.3	↑	3.0%	13.6%	83.3%	-80.3
Total Profit	-59.4	15.9%	8.7%	75.4%	-70.6	↑	0.0%	10.9%	89.1%	-89.1
Total Staff Numbers	-24.3	8.6%	58.6%	32.9%	-41.2	↑	1.6%	60.3%	38.1%	-36.5

Newcastle and Lake Macquarie 94 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-23.4	21.3%	34.0%	44.7%	0.0	↓	4.3%	8.5%	87.2%	-83.0
Total Capital Spending	-14.6	19.5%	46.3%	34.1%	-9.4	↓	9.3%	16.0%	74.7%	-65.3
Total Operating Costs	12.2	20.7%	70.7%	8.5%	18.2	↓	14.5%	51.3%	34.2%	-19.7
Total Sales Revenue	-32.9	20.7%	25.6%	53.7%	-12.1	↓	6.5%	5.2%	88.3%	-81.8
Total Profit	-35.8	16.0%	32.1%	51.9%	-18.2	↓	5.2%	6.5%	88.3%	-83.1
Total Staff Numbers	-10.8	12.0%	65.1%	22.9%	-6.1	↓	5.1%	47.4%	47.4%	-42.3

Key Business Conditions

Richmond - Tweed 102 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-39.2	18.6%	23.5%	57.8%	-43.2	↑	3.9%	3.9%	92.2%	-88.2
Total Capital Spending	-36.5	14.1%	35.3%	50.6%	5.1	↓	9.5%	17.9%	72.6%	-63.1
Total Operating Costs	9.1	26.1%	56.8%	17.0%	25.6	↓	23.5%	48.2%	28.2%	-4.7
Total Sales Revenue	-48.3	17.2%	17.2%	65.5%	-15.4	↓	3.6%	3.6%	92.9%	-89.3
Total Profit	-55.1	12.4%	20.2%	67.4%	-41.0	↓	2.4%	3.6%	94.0%	-91.6
Total Staff Numbers	-24.7	8.2%	58.8%	32.9%	0.0	↓	1.2%	40.7%	58.0%	-56.8

Riverina 68 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-29.4	17.6%	35.3%	47.1%	-29.6	↑	4.4%	8.8%	86.8%	-82.4
Total Capital Spending	-11.1	22.2%	44.4%	33.3%	3.8	↓	11.5%	28.8%	59.6%	-48.1
Total Operating Costs	20.4	33.3%	53.7%	13.0%	42.3	↓	20.8%	60.4%	18.9%	1.9
Total Sales Revenue	-25.5	21.8%	30.9%	47.3%	-19.2	↓	9.6%	15.4%	75.0%	-65.4
Total Profit	-34.5	21.8%	21.8%	56.4%	-34.6	↑	7.5%	9.4%	83.0%	-75.5
Total Staff Numbers	-1.9	13.0%	72.2%	14.8%	12.0	↓	2.0%	62.0%	36.0%	-34.0

Southern Highlands & Shoalhaven 53 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-52.8	11.3%	24.5%	64.2%	-73.3	↑	1.9%	7.5%	90.6%	-88.7
Total Capital Spending	-26.7	17.8%	37.8%	44.4%	-16.7	↓	13.0%	30.4%	56.5%	-43.5
Total Operating Costs	19.6	28.3%	63.0%	8.7%	61.5	↓	32.6%	50.0%	17.4%	15.2
Total Sales Revenue	-58.7	15.2%	10.9%	73.9%	-38.5	↓	6.5%	10.9%	82.6%	-76.1
Total Profit	-63.0	13.0%	10.9%	76.1%	-53.8	↓	2.2%	13.0%	84.8%	-82.6
Total Staff Numbers	-11.4	6.8%	75.0%	18.2%	-7.7	↓	4.7%	53.5%	41.9%	-37.2

Key Business Conditions

Sydney 579 Respondents	Current						Expected			
Indicator	Index	Up	Same	Down	Previous	↑ or ↓	Up	Same	Down	Index
Performance of the NSW Economy	-28.0	20.7%	30.6%	48.7%	-29.1	↑	4.5%	7.4%	88.1%	-83.6
Total Capital Spending	-36.7	12.5%	38.2%	49.2%	-14.6	↓	9.8%	20.5%	69.6%	-59.8
Total Operating Costs	8.1	25.8%	56.4%	17.8%	24.6	↓	20.8%	49.7%	29.6%	-8.8
Total Sales Revenue	-44.5	16.6%	22.3%	61.1%	-26.1	↓	6.9%	12.7%	80.4%	-73.6
Total Profit	-52.5	14.3%	18.8%	66.8%	-45.4	↓	6.5%	12.0%	81.5%	-75.1
Total Staff Numbers	-19.3	8.0%	64.6%	27.4%	-7.9	↓	3.4%	47.7%	48.9%	-45.4

Priorities and the Business Environment

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How have the following priorities changed over the past three months?																
Index*	Total NSW		Sydney		Central Coast		Capital Region		Central West		Coffs Harbour - Grafton		Far West & Orana		Hunter Valley exc Newcastle	
	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20
Expanding the capacity of my business to meet demand	2.7	-35.1	2.8	-42.1	43.5	-41.7	-13.3	-36.2	18.8	-43.1	21.7	-36.4	-44.4	-22.2	-36.4	-27.7
Downsizing my business	-1.5	27.2	-5.8	32.2	-10.5	31.3	0.0	27.1	-23.1	22.7	14.3	21.9	50.0	29.2	-9.1	25.4
Hiring people with the right skills/capabilities	41.1	-12.2	35.0	-11.2	45.8	-9.7	42.9	-17.0	43.8	-8.1	60.9	-12.1	33.3	14.3	18.2	-31.6
Growing revenue	77.4	53.0	81.9	53.4	79.2	36.1	84.6	47.9	77.3	53.7	80.0	67.6	100.0	64.3	76.9	54.3
Reducing business costs	71.0	78.0	64.5	76.9	62.5	75.0	81.3	73.0	78.9	90.7	84.6	94.6	100.0	71.0	84.6	77.5

*Index scores calculated as the percentage of respondents indicating the priority was more important minus those indicating the priority was less important. A positive number implies a priority is becoming more important whereas a negative number implies a priority is becoming less important.

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How have the following factors changed over the past three months?																
Index*	Total NSW		Sydney		Central Coast		Capital Region		Central West		Coffs Harbour - Grafton		Far West & Orana		Hunter Valley exc Newcastle	
	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20
Access to finance	-21.7	-17.8	-17.0	-16.2	-13.3	-24.1	-31.3	-25.9	-31.3	-25.6	-31.8	-13.3	-66.7	-26.3	-45.5	-15.5
Weather-related events (e.g. drought, floods, bushfires)	-60.1	-35.7	-53.3	-31.3	-15.8	-46.9	-59.1	-73.0	-59.1	-38.0	-80.0	-25.0	-75.0	-29.6	-45.5	-22.7
Business solvency (is my business staying afloat)	-4.3	-30.5	0.9	-29.7	18.2	-23.5	0.0	-58.3	0.0	-18.9	-15.4	-29.7	-14.3	-35.7	-25.0	-30.8
Regulatory environment (cost of red tape)	-37.3	-29.9	-34.5	-19.8	-18.2	-18.2	-10.0	-31.3	-10.0	-34.0	-16.7	-12.2	-63.6	-25.0	-36.4	-26.2

*Index scores calculated as the percentage of respondents indicating the factor was more favourable minus those indicating the factor was less favourable. A positive number implies an improvement whereas a negative number implies a deterioration.

Priorities and the Business Environment

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How have the following priorities changed over the past three months?																
Index*	Illawarra		Mid North Coast		Murray		New England and North West		Newcastle and Lake Macquarie		Richmond - Tweed		Riverina		Southern Highlands and Shoalhaven	
	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20
Expanding the capacity of my business to meet demand	13.0	-38.5	7.9	-47.9	-19.4	-25.5	-11.1	-12.8	16.0	-29.2	19.4	-35.3	5.9	-31.3	-37.5	-26.3
Downsizing my business	-23.5	33.3	6.9	32.0	7.1	9.4	4.3	28.6	-5.6	20.3	4.3	30.3	-23.1	5.1	22.2	29.4
Hiring people with the right skills/capabilities	35.3	-24.5	45.9	-34.0	43.3	-7.3	13.0	0.0	50.0	-17.7	72.4	-13.2	50.0	6.8	-11.1	3.2
Growing revenue	85.7	37.5	69.2	49.1	74.2	56.7	83.3	67.2	80.0	50.0	69.0	47.4	55.0	51.0	80.0	63.2
Reducing business costs	57.1	73.2	73.7	87.7	73.5	78.8	82.8	74.6	63.6	77.8	63.3	82.9	66.7	69.2	90.0	82.5

*Index scores calculated as the percentage of respondents indicating the priority was more important minus those indicating the priority was less important. A positive number implies a priority is becoming more important whereas a negative number implies a priority is becoming less important.

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How have the following factors changed over the past three months?																
Index*	Illawarra		Mid North Coast		Murray		New England and North West		Newcastle and Lake Macquarie		Richmond - Tweed		Riverina		Southern Highlands and Shoalhaven	
	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20	Dec 19	Mar 20
Access to finance	-22.2	-25.5	-13.8	-30.6	-12.5	-8.0	-12.5	-25.0	-4.5	-1.7	-29.6	-15.9	-21.4	-6.8	-37.5	-24.2
Weather-related events (e.g. drought, floods, bushfires)	-41.2	-41.5	-64.1	-44.4	-71.4	-34.4	-71.4	-3.5	-35.0	-25.0	-75.0	-53.6	-83.3	-31.1	-85.7	-57.1
Business solvency (is my business staying afloat)	5.3	-37.7	0.0	-40.4	-12.5	-13.8	-12.5	-41.8	-5.6	-20.9	-14.8	-29.7	-5.0	-6.8	-40.0	-39.5
Regulatory environment (cost of red tape)	-20.0	-25.9	-11.6	-21.8	-31.3	3.5	-31.3	-23.8	-19.0	-14.3	-32.4	-25.9	-10.5	-8.2	-22.2	-28.9

*Index scores calculated as the percentage of respondents indicating the factor was more favourable minus those indicating the factor was less favourable. A positive number implies an improvement whereas a negative number implies a deterioration.

Business Costs

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Cost Index*	ALL REGIONS		Sydney		Capital Region		Central Coast		Central West		Coffs Harbour - Grafton		Far West & Orana		Hunter Valley exc Newcastle	
	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20
Wages and Benefits	42.0	41.4	60.0	40.9	60.0	53.5	21.7	28.6	42.9	31.1	53.8	43.2	66.7	50.0	66.7	47.1
Other Staffing-related Costs	38.8	37.8	40.0	35.8	40.0	39.7	21.7	35.3	27.8	37.2	44.0	41.7	58.3	38.5	58.3	46.3
Energy (Gas / Electricity)	43.7	37.5	57.1	33.6	57.1	44.2	45.5	19.4	55.6	48.1	44.0	26.3	66.7	54.8	66.7	46.6
Equipment	30.1	29.9	42.9	28.8	42.9	28.2	26.1	14.7	44.4	40.0	20.0	37.1	45.5	37.9	45.5	29.0
Distribution / Transport Costs	45.0	35.5	33.3	33.0	33.3	27.1	31.8	19.4	35.3	50.0	43.5	36.7	41.7	53.3	41.7	32.3
Real Estate (Rent / Mortgage)	29.5	31.6	-16.7	31.4	-16.7	38.2	19.0	21.9	30.8	31.1	39.1	38.2	41.7	25.0	41.7	33.3
Government Taxes / Levies / Fees	39.0	34.6	53.8	30.7	53.8	40.0	30.4	25.7	40.0	34.0	36.0	35.1	83.3	44.8	83.3	29.2
Cost of Inputs (Goods Sold, Imports)	45.4	46.3	76.9	45.5	76.9	46.7	45.5	53.6	45.0	61.2	54.2	48.5	33.3	53.6	33.3	42.2
Finance Costs (Interest / Fees)	11.7	14.3	7.7	14.1	7.7	22.5	10.0	12.9	-5.9	32.6	4.8	-2.9	30.0	25.0	30.0	25.0
Professional Services (Accountants, Legal)	33.7	30.6	42.9	28.2	42.9	40.5	22.7	11.1	27.8	19.6	28.0	37.8	50.0	34.5	50.0	38.9
Marketing / Advertising	34.9	33.4	35.7	27.4	35.7	38.7	21.7	17.1	44.4	41.2	32.0	34.3	33.3	37.9	33.3	38.9
Insurance	54.8	51.1	78.6	47.6	78.6	50.6	54.2	38.9	50.0	51.9	57.7	44.7	58.3	58.1	58.3	54.8
Repairs and Maintenance	39.2	34.9	75.0	31.0	75.0	44.0	34.8	22.9	36.8	46.2	48.0	45.9	50.0	46.7	50.0	38.4
Telecommunications	23.0	29.9	26.7	23.1	26.7	32.9	8.7	16.7	10.5	38.5	8.0	27.0	50.0	22.6	50.0	48.6

*Index scores calculated as the percentage of respondents indicating the cost was less affordable minus those indicating the cost was more affordable. A positive number implies increasing cost pressures whereas a negative number implies falling costs.

Business Costs

Additional regions on previous page

Cost Index*	Illawarra		Mid North Coast		Murray		New England and North West		Newcastle and Lake Macquarie		Richmond - Tweed		Riverina		Southern Highlands and Shoalhaven	
	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20	DEC19	MAR20
Wages and Benefits	26.3	38.2	34.2	50.0	51.7	33.9	45.8	37.0	30.8	39.1	37.9	47.9	23.5	27.1	50.0	50.0
Other Staffing-related Costs	11.1	33.9	32.4	45.3	48.3	32.1	47.8	40.4	13.6	31.4	37.9	47.9	35.3	28.3	50.0	45.9
Energy (Gas / Electricity)	45.0	37.7	40.5	47.4	57.1	36.5	42.9	29.3	27.3	39.7	50.0	42.3	16.7	28.6	44.4	36.6
Equipment	26.3	24.1	26.3	30.9	50.0	33.3	33.3	33.3	10.0	23.0	44.8	36.4	18.8	31.4	55.6	30.0
Distribution / Transport Costs	38.9	27.5	44.1	43.1	69.0	28.6	44.0	40.0	26.7	37.3	56.0	51.4	53.3	34.8	55.6	39.5
Real Estate (Rent / Mortgage)	31.3	29.4	28.6	31.4	35.7	29.8	34.8	34.0	19.0	25.4	40.0	41.9	23.1	27.5	28.6	30.6
Government Taxes / Levies / Fees	36.8	35.2	32.4	37.0	56.7	37.1	53.6	46.3	22.7	20.3	38.7	50.6	29.4	35.4	50.0	30.0
Cost of Inputs (Goods Sold, Imports)	47.4	37.7	44.1	51.0	42.9	37.3	57.1	53.8	40.0	40.3	57.7	49.3	29.4	28.6	50.0	65.7
Finance Costs (Interest / Fees)	5.9	18.4	-11.8	17.3	7.7	3.3	18.5	9.4	15.0	7.7	14.8	11.8	5.6	-2.3	12.5	13.5
Professional Services (Accountants, Legal)	30.0	21.8	18.9	30.4	40.0	27.4	28.6	30.4	50.0	30.6	33.3	40.8	38.9	25.5	50.0	38.5
Marketing / Advertising	31.6	34.0	23.7	39.3	42.9	36.1	48.1	40.4	54.5	31.5	38.5	42.7	43.8	22.9	28.6	45.0
Insurance	35.0	43.1	50.0	66.7	65.5	48.4	66.7	56.1	45.5	43.8	56.7	57.0	58.8	66.7	87.5	57.5
Repairs and Maintenance	38.9	27.8	37.8	40.7	50.0	30.8	60.7	42.9	25.0	32.9	27.6	37.3	47.4	26.0	55.6	40.0
Telecommunications	25.0	29.8	23.7	44.6	34.4	21.5	37.0	37.5	4.8	30.6	43.8	33.3	0.0	19.6	50.0	40.0

*Index scores calculated as the percentage of respondents indicating the cost was less affordable minus those indicating the cost was more affordable. A positive number implies increasing cost pressures whereas a negative number implies falling costs.

Top Capabilities

Is your business currently experiencing a skills shortage?*	Previous December 2019		Current March 2020	
Region	Yes	No	Yes	No
Sydney	45.8%	54.2%	29.9%	70.1%
Central Coast	43.5%	56.5%	31.4%	68.6%
Capital Region	56.3%	43.8%	26.7%	73.3%
Central West	45.5%	54.5%	21.6%	78.4%
Coffs Harbour - Grafton	41.7%	58.3%	36.8%	63.2%
Far West and Orana	85.7%	14.3%	40.0%	60.0%
Hunter Valley exc Newcastle	40.0%	60.0%	24.3%	75.7%
Illawarra	28.6%	71.4%	32.1%	67.9%

	Previous December 2019		Current March 2020	
Region	Yes	No	Yes	No
Mid North Coast	41.7%	58.3%	36.8%	63.2%
Murray	53.1%	46.9%	35.5%	64.5%
New England and North West	39.3%	60.7%	25.0%	75.0%
Newcastle and Lake Macquarie	48.1%	51.9%	38.6%	61.4%
Richmond - Tweed	60.7%	39.3%	41.1%	58.9%
Riverina	57.9%	42.1%	46.0%	54.0%
Southern Highlands and Shoalhaven	70.0%	30.0%	36.6%	63.4%
Total NSW	47.6%	52.4%	32.3%	67.7%

*September survey asked "Do you have suitably skilled staff?".

What capabilities are in demand in your business or industry?																	
Response	All Regions DEC 19	All Regions MAR 20	Sydney	Central Coast	Capital Region	Central West	Coffs Harbour - Grafton	Far West & Orana	Hunter Valley exc Newcastle	Illawarra	Mid North Coast	Murray	New England and North West	Newcastle and Lake Macquarie	Richmond - Tweed	Riverina	Southern Highlands and Shoalhaven
Communication	39.2%	57.8%	54.4%	52.2%	63.2%	61.4%	72.0%	53.8%	50.0%	73.7%	47.4%	64.7%	64.3%	66.0%	56.1%	46.2%	61.3%
Team Work	41.6%	50.8%	48.2%	95.7%	52.6%	47.7%	68.0%	26.9%	44.6%	47.4%	42.1%	60.8%	59.5%	40.4%	64.9%	46.2%	41.9%
Literacy/Numeracy	4.4%	6.4%	5.9%	0.0%	5.3%	4.5%	16.0%	11.5%	1.8%	5.3%	2.6%	11.8%	7.1%	10.6%	1.8%	7.7%	9.7%
Problem Solving	36.6%	45.1%	49.8%	47.8%	40.4%	22.7%	44.0%	23.1%	37.5%	55.3%	63.2%	41.2%	31.0%	59.6%	42.1%	51.3%	38.7%
Initiative and Enterprise	26.6%	28.9%	26.7%	56.5%	26.3%	29.5%	28.0%	30.8%	32.1%	28.9%	26.3%	15.7%	21.4%	42.6%	33.3%	25.6%	25.8%
Planning and Organising	36.4%	54.9%	52.1%	69.6%	56.1%	52.3%	60.0%	38.5%	50.0%	57.9%	86.8%	54.9%	66.7%	48.9%	43.9%	51.3%	61.3%
Self-Management	27.7%	40.2%	34.5%	34.8%	52.6%	45.5%	56.0%	30.8%	44.6%	36.8%	44.7%	33.3%	47.6%	38.3%	45.6%	33.3%	45.2%
Learning	4.6%	7.7%	6.5%	4.3%	7.0%	9.1%	16.0%	11.5%	5.4%	2.6%	5.3%	13.7%	4.8%	6.4%	12.3%	10.3%	3.2%
Technology	19.2%	29.3%	29.0%	21.7%	17.5%	6.8%	44.0%	42.3%	19.6%	47.4%	42.1%	23.5%	28.6%	44.7%	28.1%	33.3%	32.3%
Leadership	17.9%	25.5%	29.0%	26.1%	17.5%	18.2%	24.0%	23.1%	23.2%	34.2%	21.1%	19.6%	23.8%	40.4%	22.8%	25.6%	6.5%
Creativity	15.5%	23.7%	24.1%	21.7%	22.8%	25.0%	16.0%	19.2%	32.1%	13.2%	15.8%	17.6%	26.2%	36.2%	26.3%	25.6%	22.6%

Demography

Region	Percentage
Capital Region	6.6%
Central Coast	3.3%
Central West	4.9%
Coffs Harbour - Grafton	3.5%
Far West and Orana	2.4%
Hunter Valley exc Newcastle	5.8%
Illawarra	4.8%
Mid North Coast	4.5%
Murray	5.0%
New England and North West	4.8%
Newcastle and Lake Macquarie	5.7%
Richmond - Tweed	6.2%
Riverina	4.1%
Southern Highlands and Shoalhaven	3.2%
Sydney	35.2%

Industry	Percentage
Primary	3.0%
Population Serving	47.0%
Knowledge Intensive	26.2%
Industrial	14.6%
Health and Education	9.2%

Number of Employees	Percentage
More than 200	6.1%
21 to 200	20.8%
5 to 20	34.5%
1 to 4	25.6%
Non-employed / Sole Operator	13.1%

Survey Notes

- Index figures given in this document are a calculation of the percentage of respondents who answered higher or increased conditions, minus the percentage of respondents who answered lower or decreased conditions. Index scores are either positive or negative.
- Industries, regions and other categories with small sample sizes should be treated with caution.
- Primary industries include: agriculture, forestry & fishing and mining.
- Population Serving industries include: construction; retail trade; accommodation & food services; arts & recreation services; other services and ownership of dwellings.
- Knowledge Intensive industries include: information media & telecommunications; financial & insurance services; rental, hiring & real estate services; professional, scientific & technical services; administrative & support services and public administration & safety.
- Industrial industries include: manufacturing; electricity, gas, water & waste; wholesale trade and transport, postal & warehousing.
- Health and Education industries include: education & training and healthcare & social assistance.
- Business Services industries include: information media and telecommunications; rental hiring and real estate services; professional, scientific and technical services; and administration and support services.
- Other Industries industries include: agriculture, forestry and fishing; arts and recreation services; education and training; electricity, gas, water and waste services; healthcare and social assistance; mining; other services; public administration and safety; transport, postal and warehousing; and unspecified industries.
- Figures presented may not align with the total percentage as respondents were able to select multiple options for certain questions.



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Survey Results

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