# Introduction

The Yellow Pages® *Small Business Index* is an ongoing series of surveys designed to track confidence and behaviour in the small business sector.

The primary objectives of the Index are to track small business activity over the past three months; expectations over both the current three and 12 month period; and to measure overall confidence within the small business community. A second purpose is to provide an independent, objective assessment of proprietors' experience and attitudes on key issues.

The Index is an initiative of Pacific Access as part of its commitment to this vital business sector and is conducted by the research firm Brian Sweeney and Associates. Economic advice is provided by economic consultants, Marsden Jacob Associates. Dr. John Marsden is the former chief economist of Capel Court, National Mutual Royal Bank and the Australian Bankers Association.

# About the Survey

The Index is the most comprehensive regular survey of small business in Australia and focuses specifically on businesses employing 19 people or fewer.

The Index uses a panel of at least 1,200 small business proprietors who are interviewed by telephone every three months.

On occasion, the Index undertakes specialised studies of different issues. As in February 1998 this survey collected data from medium size businesses. These are defined as businesses employing between 20 and 200 employees inclusively. The survey used a panel of 600 medium size businesses for this component of the Index. Data from the medium size sector are reported on Page 10 and are not included in the results for small business elsewhere in the report.

The panel was drawn from all metropolitan and non-metropolitan regions of Australia. Quotas are set on geographical location and type of business to produce the standard sample structure shown opposite. Where replacement panellists are recruited, this sample structure is maintained.

Because this is a quota sample, at the analysis stage results are weighted by selected ANZSIC divisions within the metro and non-metro region of each state or territory to reflect the actual small business population distribution. The ABS Business Register as at June 1996 is used to weight the sample to be representative of the total business population.

Interviewing for this latest (February 1999) survey was conducted over the period 27th January to 10th February 1999. The report covers the experience over the past three months (November and December 1998 and January 1999) and expectations for both the current quarter (February to April 1999) and the 12 months ending February 2000.

**Location of Business**

| | TOTAL | METRO | NON-METRO |
|---|---|---|---|
| NSW | 200 | 160 | 40 |
| VIC | 200 | 160 | 40 |
| QLD | 200 | 110 | 90 |
| SA | 150 | 130 | 20 |
| WA | 150 | 130 | 20 |
| TAS | 100 | 60 | 40 |
| NT | 100 | 60 | 40 |
| ACT | 100 | 100 | – |
| TOTAL | 1200 | 910 | 290 |

**Division**

| | |
|---|---|
| MANUFACTURING | 215 |
| BUILDING/CONSTRUCTION | 215 |
| WHOLESALE/RETAIL | 215 |
| TRANSPORT/STORAGE | 125 |
| FINANCE/PROPERTY/BUSINESS SERVICES | 215 |
| RECREATION/PERSONAL & OTHER SERVICES | 215 |
| TOTAL SAMPLE | 1200 |



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# Small Business Outlook - National Summary

## Confidence in Own Business Prospects Over the Next 12 Months

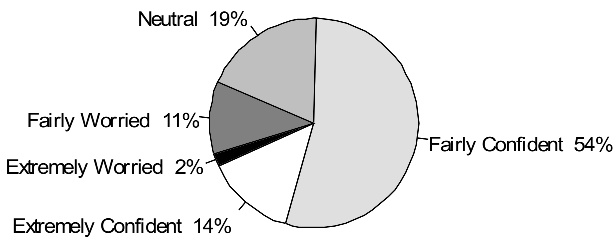
Confidence among Australia's small business proprietors is strong, firming substantially over the three months to February.

New South Wales was the only state to record a fall in confidence. All other states and territories reported increased confidence in their business prospects over the next 12 months with the sharpest rises reported in the Northern Territory and Western Australia. Despite a significant rise, proprietors in Tasmania remained the least confident.

Small business confidence is now highest in the Northern Territory, Western Australia and the ACT.

Confidence firmed in all sectors of small business with the largest rises reported in Transport/Storage, Manufacturing and Wholesale/Retail.

### Overall Confidence



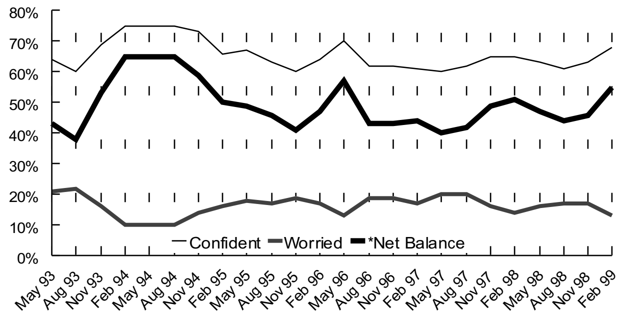

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Confidence Trends - Past Five Quarters

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| Extremely Confident | 10% | 10% | 10% | 11% | 14% |
| Fairly Confident | 54% | 53% | 51% | 52% | 54% |
| Neutral | 21% | 22% | 22% | 20% | 19% |
| Fairly Worried | 12% | 12% | 14% | 14% | 11% |
| Extremely Worried | 2% | 3% | 3% | 2% | 2% |
| Total Confident | 65% | 63% | 61% | 63% | 68% |
| Total Worried | 14% | 16% | 17% | 17% | 13% |
| ***NET BALANCE** | **+51%** | **+47%** | **+44%** | **+46%** | **+55%** |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Confidence - Long-term Trends




SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Trends By State
***Net Balance**

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| NATIONAL | 51% | 47% | 44% | 46% | 55% |
| NSW | 57% | 45% | 43% | 49% | 46% |
| VIC | 45% | 52% | 40% | 44% | 60% |
| QLD | 43% | 41% | 45% | 44% | 60% |
| SA | 61% | 57% | 45% | 61% | 62% |
| WA | 55% | 51% | 50% | 41% | 66% |
| TAS | 33% | 34% | 20% | 30% | 40% |
| NT | 67% | 46% | 53% | 49% | 74% |
| ACT | 45% | 43% | 40% | 56% | 66% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Trends By Sector
***Net Balance**

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| All Businesses | 51% | 47% | 44% | 46% | 55% |
| Manufacturing | 49% | 41% | 31% | 43% | 57% |
| Building/Construction | 51% | 51% | 44% | 60% | 64% |
| Wholesale/Retail | 36% | 35% | 40% | 37% | 49% |
| Transport/Storage | 62% | 35% | 33% | 35% | 50% |
| Business Services | 62% | 54% | 47% | 48% | 57% |
| Personal Services | 55% | 57% | 49% | 54% | 58% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

**Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*

## PERCEPTIONS OF ECONOMY

Proprietor perceptions of the economy are strongly positive, continuing the rebound from the very pessimistic assessment six months ago. Almost half of proprietors see the economy in a period of growth. Fewer than 5% see the economy as in recession.

Perceptions of the economy are the strongest since the boom of calendar year 1994.

Victorian and ACT proprietors have the most positive assessment of the economy and also reported the largest upswing between the November and February surveys. Perceptions of the economy now are weakest in South Australia and Queensland.

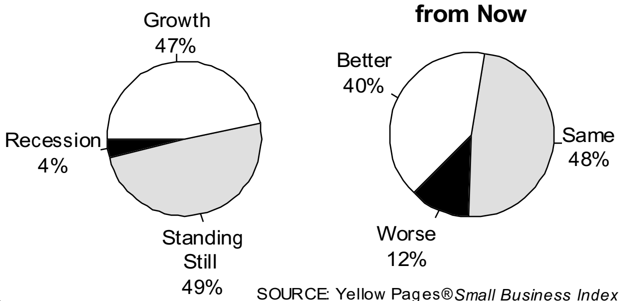
Expectations of an improved economy in 12 months' time also firmed substantially with a net 28% expecting an improvement.

Proprietors in Business Services are the most positive about the economy in the year ahead.

In all states and territories, an increased number of proprietors expect a better economy in 12 months' time.

### The Economy

**The Economy Now** / **The Economy a Year from Now**




SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Perceptions of the Economy - Trends

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| *THE ECONOMY NOW* | | | | | |
| Growth | 28% | 24% | 12% | 21% | 47% |
| Recession | 11% | 12% | 18% | 13% | 4% |
| ***Net Balance** | **17%** | **12%** | **-6%** | **8%** | **43%** |
| *THE ECONOMY A YEAR FROM NOW* | | | | | |
| Better | 29% | 32% | 20% | 27% | 40% |
| Worse | 21% | 20% | 24% | 20% | 12% |
| ***Net Balance** | **8%** | **12%** | **-4%** | **7%** | **28%** |

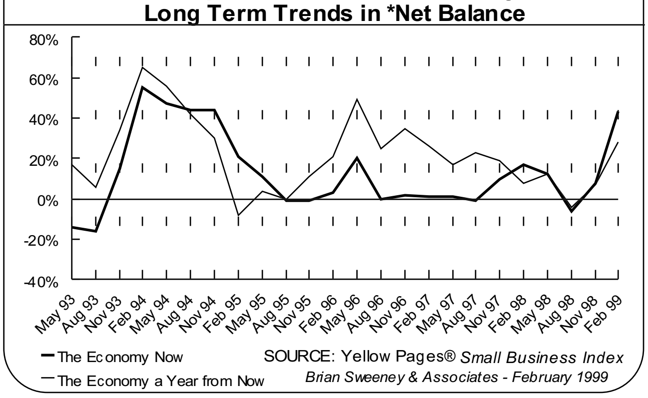
SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Perceptions of the Economy by State

| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
|---|---|---|---|---|---|---|---|---|
| *THE ECONOMY NOW* | | | | | | | | |
| Growth | 51% | 59% | 35% | 28% | 41% | 37% | 42% | 57% |
| Recession | 3% | 1% | 7% | 5% | 9% | 2% | 2% | 4% |
| ***Net Balance** | **48%** | **58%** | **28%** | **23%** | **32%** | **35%** | **40%** | **53%** |
| *THE ECONOMY A YEAR FROM NOW* | | | | | | | | |
| Better | 44% | 38% | 37% | 33% | 36% | 40% | 37% | 36% |
| Worse | 9% | 13% | 14% | 16% | 10% | 10% | 6% | 19% |
| ***Net Balance** | **35%** | **25%** | **23%** | **17%** | **26%** | **30%** | **31%** | **17%** |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Perceptions of The Economy
**Long Term Trends in *Net Balance**




SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

**Net balance is defined as the difference between the percentage with a positive outlook and the percentage with a negative outlook.*

## Expectations on Key Indicators Over the Next 12 Months

Expectations for growth over the next 12 months for sales, profits and investment firmed between the November and February surveys.

Expectations for investment growth over the coming 12 months are the highest recorded since May 1995.

**Expectations On Key Indicators Over The Next 12 Months**

| | Expect An Increase | Expect A Decrease | *Net Balance |
|---|---|---|---|
| Value of sales | 64% | 8% | 56% |
| Size of workforce | 24% | 3% | 21% |
| Wages bill | 41% | 5% | 36% |
| Prices charged | 44% | 3% | 41% |
| Profitability | 63% | 9% | 54% |
| Capital expenditure | 38% | 14% | 24% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

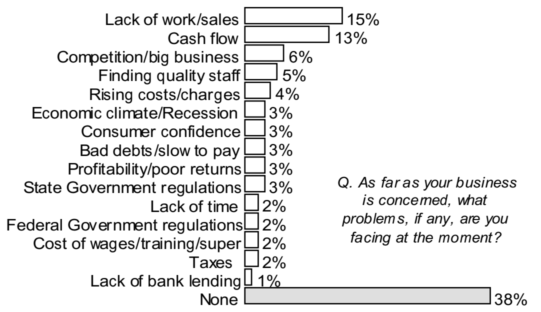
**Expectations On Key Indicators Over Next 12 Months - Trends in *Net Balance**

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| Value of sales | 58% | 51% | 50% | 51% | 56% |
| Size of workforce | 22% | 19% | 18% | 22% | 21% |
| Wages bill | 38% | 32% | 34% | 38% | 36% |
| Prices charged | 42% | 42% | 43% | 42% | 41% |
| Profitability | 55% | 46% | 47% | 49% | 54% |
| Capital expenditure | 19% | 18% | 18% | 21% | 24% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

## Concerns

**Prime Concerns**




SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

Lack of work/sales - the dominant concern of small businesses - was identified as a problem by only 15% of proprietors surveyed in February. This is the lowest number since the boom of 1994.

The proportion of small businesses reporting no problems jumped from 28% three months ago to 38% now, the highest since 1993.

**Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*

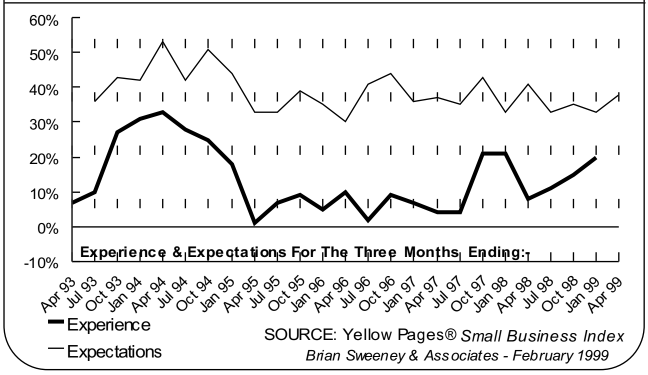
## SALES

Sales growth strengthened for the third successive quarter. A net 20% of small businesses reported sales growth, compared with only 11% six months ago.

Nonetheless, sales fell in the Northern Territory and lower sales growth was reported by proprietors in NSW and the ACT.

Nationally, expected sales growth in the current three months (February-April) strengthened.

Sales expectations strengthened in all sectors except Transport/Storage and Personal Services.




**Sales Value - *Net Balance**

## EMPLOYMENT

Jobs growth was reported for the second successive quarter. Although at a slightly reduced rate compared with the previous quarter, this growth follows almost two years of negligible jobs growth in the small business sector.

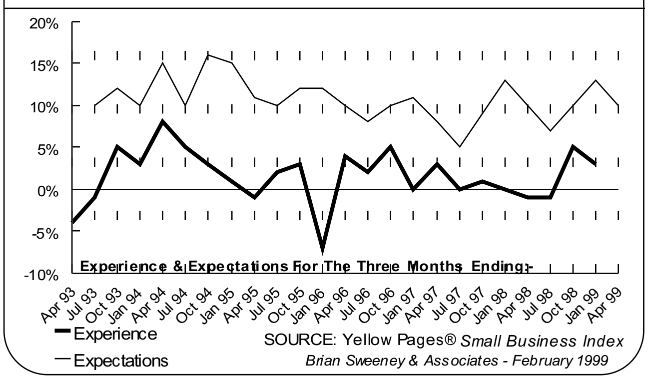
Small business jobs growth over the past three months was strongest in Queensland and South Australia.

Expected employment growth in the current three months eased slightly since the previous survey.

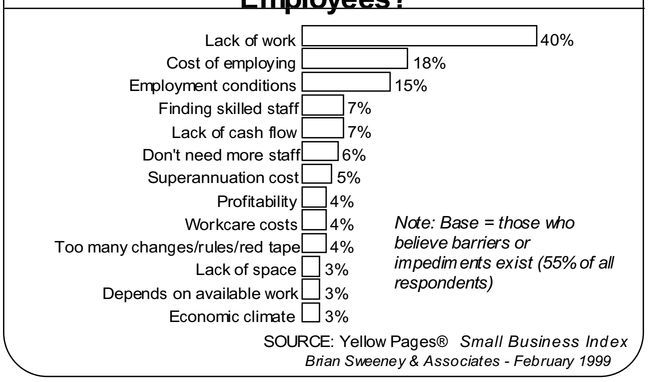
The proportion of proprietors who believed there are barriers or impediments to employing fell from 66% in November 1998 to 55% in February 1999.

The major impediment for these proprietors is "lack of work" (40%), the same proportion as in the previous quarter. Some 18% believe the cost of employment was preventing them from taking on new staff.

Employment conditions (including unfair dismissal) were mentioned by 15% of those believing barriers to exist - about 8% of the total population.



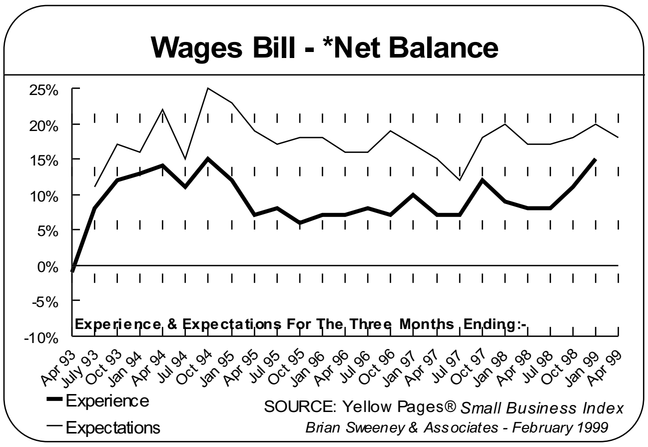

**Size of Workforce - *Net Balance**




**What are the Barriers to Taking on New Employees?**

**Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*

## WAGES BILL

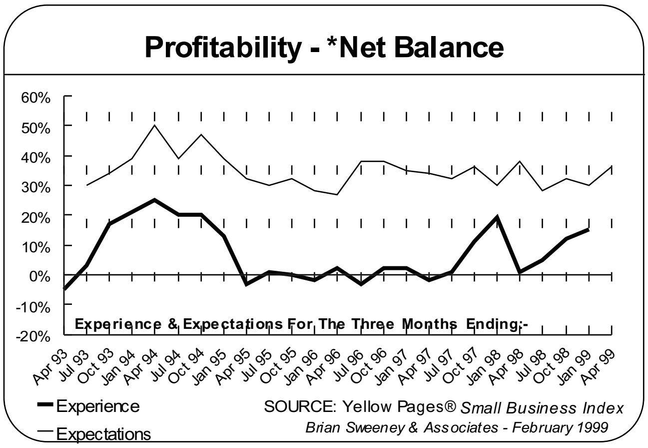



Growth in wages bill was reported by an increased proportion of small business proprietors, the highest level since the November 1994 survey

Reported wages bill growth in the recent quarter was strongest in small businesses in Transport/Storage and Wholesale/Retail.

Nationally, expected growth in wage bills declined slightly but is strongest in the Northern Territory and Building/ Construction and weakest in Tasmania.

## PROFITABILITY & CAPITAL EXPENDITURE

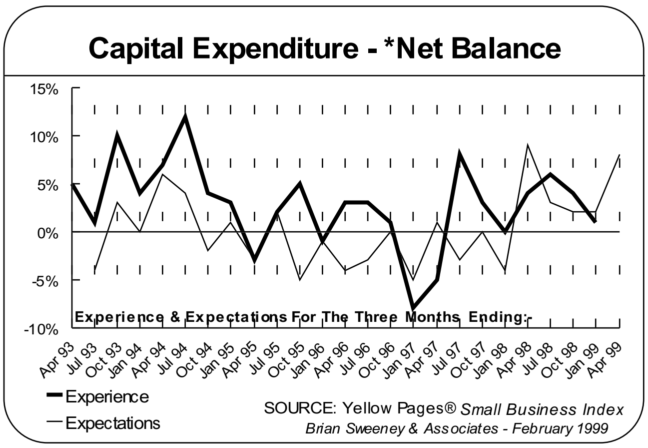



Profit growth reported by small businesses increased for the third successive quarter – a result directly in line with the increase in sales growth.

Nonetheless, investment growth eased, possibly reflecting seasonal factors.

Expected profit growth and investment growth for the current quarter have firmed.

Proprietors in the Northern Territory report the biggest upturn in expected growth for both profit and investment.




*Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*

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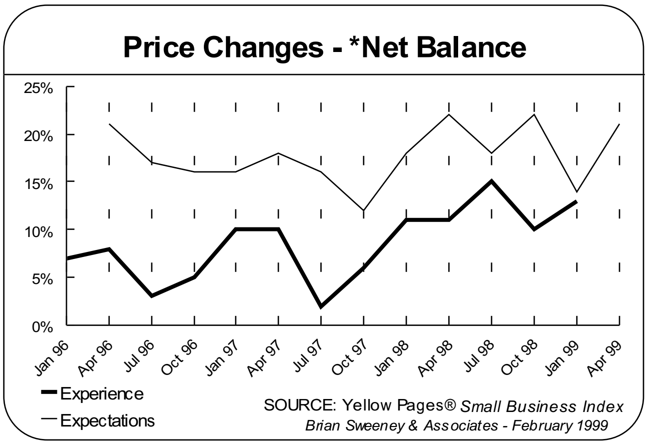
## PRICES

The proportion of proprietors who increased prices rose slightly to a net 13%.

Increased growth in prices is expected in the current quarter (February-April).




## ASSESSMENT OF FEDERAL POLICIES

Consistent with their very positive assessment of the economy, more small business proprietors now see Federal policies as supportive of small business than see them as working against it.

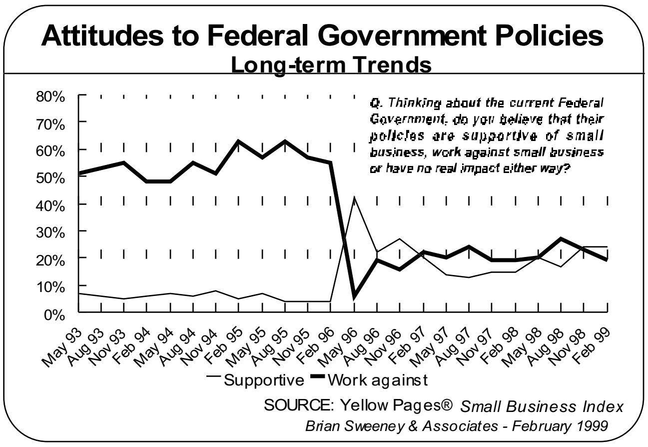
A net 5% of small businesses now see Federal policies as supportive, contrasting with the net 10% who saw the Government's policies as working against small business six months ago.

The main reasons for believing the government's policies to be supported include:

- introducing a GST (28%);
- unfair dismissal changes (18%);
- tax reform (12%);
- getting economy moving (12%);
- better awareness of needs (11%);
- creating employment/training schemes (8%); and
- reducing interest rates (8%).

Reasons for a negative view include:

- GST will make it harder (30%);
- too much bureaucracy (19%);
- only concerned with big business (16%);
- no incentives offered (13%); and
- too much paperwork (12%).




**Attitudes to Federal Government Policies**

| | Nov 97 | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|---|
| Supportive | 15% | 15% | 20% | 17% | 24% | 24% |
| Work against | 19% | 19% | 20% | 27% | 23% | 19% |
| No impact | 66% | 66% | 60% | 56% | 53% | 57% |
| ***Net Balance** | **-4%** | **-4%** | **0%** | **-10%** | **1%** | **5%** |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

**Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*



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## ASSESSMENT OF STATE OR TERRITORY GOVERNMENT POLICIES

**Attitudes to State or Territory Government Policies - February 1999**

| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
|---|---|---|---|---|---|---|---|---|
| Supportive | 8% | 40% | 22% | 10% | 13% | 12% | 55% | 21% |
| Work against | 25% | 10% | 14% | 20% | 20% | 22% | 7% | 25% |
| No impact | 67% | 50% | 64% | 70% | 67% | 66% | 38% | 54% |
| ***Net Balance** | **-17%** | **30%** | **8%** | **-10%** | **-7%** | **-10%** | **48%** | **-4%** |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

**Attitudes to State or Territory Government Policies - Trends in *Net Balance**

| | Feb 98 | May 98 | Aug 98 | Nov 98 | Feb 99 |
|---|---|---|---|---|---|
| NSW | -26% | -26% | -24% | -17% | -17% |
| VIC | 18% | 15% | 28% | 22% | 30% |
| QLD | 10% | 5% | -5% | 5% | 8% |
| SA | 4% | -5% | -12% | -5% | -10% |
| WA | 3% | -17% | -8% | -10% | -7% |
| TAS | -13% | -21% | -19% | 2% | -10% |
| NT | 54% | 35% | 43% | 46% | 48% |
| ACT | 8% | 19% | 12% | -2% | -4% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

Small business is strongly supportive of the Northern Territory and Victorian Governments, with a net 48% and 30% of proprietors, respectively, seeing their policies as supportive of small business. Small business is also, on balance, in favour of the new Queensland Labor Government.

In all other states and the ACT small business proprietors see their government's policies, on balance, as working against small business.

**Net balance is defined as the difference between the percentage reporting an increase and the percentage reporting a decrease.*

# VOTING INTENTIONS IN VICTORIA AND NSW

The New South Wales election will be held at the end of March with the Victorian state election required to be held before May 2000. Proprietors in these two states were asked:

- which party they intended to vote for in the lower house; and
- which party they had voted for at the last state election.

In New South Wales, results suggest that around 73% (when we distribute the non response) expect to vote for the Coalition. This is more or less in line with the last state election behaviour - although support for the National Party has waned to some degree.

In Victoria, 79% (again when the non response is distributed) expect to vote for the Coalition - marginally up on the last election figure.

A comparison of the full response voting intentions between the two states reveals the following:

- despite the immediacy of the New South Wales election, some 29% of proprietors do not yet know who they will vote for on 27 March. In contrast, for the more distant Victorian election, only 20% are undecided;
- possibly reflecting this, less and than half of small business proprietors in NSW are currently sure they would vote for the Liberal Party compared with almost 60% of Victorian small business proprietors; and
- the minor parties appear to be more strongly supported in NSW than in Victoria.

**Voting Trends**
**NSW**

| | Full Responses | | Excluding Don't Know/Refused | |
|---|---|---|---|---|
| | Last Election | Next Election | Last Election | Next Election |
| Liberal | 53% | 46% | 65% | 68% |
| National | 6% | 4% | 7% | 5% |
| ALP | 17% | 11% | 20% | 16% |
| Democrat | 5% | 4% | 6% | 5% |
| One Nation | 1% | 1% | 1% | 1% |
| Other | 1% | 2% | 1% | 3% |
| Undecided | 14% | 29% | | |
| Refused | 3% | 3% | | |
| Did not vote | 1% | _ | | |

SOURCE: Yellow Pages®*Small Business Index*
*Brian Sweeney & Associates - February 1999*

**Voting Trends**
**Victoria**

| | Full Responses | | Excluding Don't Know/Refused | |
|---|---|---|---|---|
| | Last Election | Next Election | Last Election | Next Election |
| Liberal | 65% | 58% | 75% | 79% |
| National | 0% | 0% | 0% | 0% |
| ALP | 15% | 12% | 18% | 16% |
| Democrat | 4% | 2% | 5% | 2% |
| Greens | 1% | 1% | 1% | 1% |
| One Nation | 1% | _ | 1% | 0% |
| Other | 1% | 1% | 1% | 1% |
| Undecided | 4% | 20% | | |
| Refused | 7% | 5% | | |

SOURCE: Yellow Pages®*Small Business Index*
*Brian Sweeney & Associates - February 1999*



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## A COMPARISON WITH MEDIUM-SIZED BUSINESS

As in February 1998, this Index examined the views of medium-sized business proprietors - those employing between 20 and 200 employees. While medium businesses will not be included in the Index on an ongoing basis, an occasional examination of the segment is useful. The results for medium businesses are based on some 600 interviews across Australia.

Medium businesses proprietors reported similar strong **sales growth** levels similar to their smaller business counterparts but stronger **jobs growth**. A net 12% of medium businesses took on more staff over the past three months compared with a net 3% for small business. The stronger jobs growth in medium businesses is consistent with the greater **confidence** about their own business prospects. A net 65% of medium businesses are confident about prospects for the next 12 months compared with 55% of small business proprietors.

Further, 15% of medium businesses are aspiring to **"significant growth"** - twice the proportion of small business.

Over one-third of small and medium businesses (each 38%) did not cite any **concerns** with their current business operations. Where concerns were cited small businesses were more concerned with lack of work and cash flow, whereas medium businesses were more concerned about competition and finding quality staff.

**Support for Federal policies** is also stronger among medium business. One-third of medium businesses consider that these policies are supportive - compared with 24% of small businesses. Around one-fifth of both medium (22%) and small (19%) businesses believe that the policies are working against small or medium business.

Medium businesses are more likely to cite tax reform as a reason for viewing the government positively (19% vs. 12%) and are less likely than small businesses to believe that the GST is a reason for viewing the government negatively (19% vs. 30%).

### Key Indicator Comparisons
#### Net Balance for February 1999

| | Small Business | Medium Business |
|---|---|---|
| **Overall Confidence:** | | |
| Total Confident | 68% | 74% |
| Total Worried | 13% | 9% |
| **Net Balance* | *55%* | *65%* |
| **Experience for Past 3 Months:** | | |
| Value of sales | 20% | 22% |
| Size of workforce | 3% | 12% |
| **Expectations for Next 3 Months:** | | |
| Value of sales | 38% | 41% |
| Size of workforce | 10% | 16% |
| **Expectations for Next 12 Months:** | | |
| Value of sales | 56% | 60% |
| Size of workforce | 21% | 32% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Key Indicator Comparisons
#### Trend in Net Balance for February 1998 and 1999

| | Medium Business 1998 | Medium Business 1999 |
|---|---|---|
| **Overall Confidence:** | | |
| Total Confident | 73% | 74% |
| Total Worried | 12% | 9% |
| **Net Balance* | *61%* | *65%* |
| **Experience for Past 3 Months:** | | |
| Value of sales | 21% | 22% |
| Size of workforce | 9% | 12% |
| **Expectations for Next 3 Months:** | | |
| Value of sales | 38% | 41% |
| Size of workforce | 13% | 16% |
| **Expectations for Next 12 Months:** | | |
| Value of sales | 54% | 60% |
| Size of workforce | 26% | 32% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

### Prime Concerns (Unprompted)
#### February 1999

| | Small Business | Medium Business |
|---|---|---|
| Finding quality staff | 5% | 11% |
| Competition | 6% | 10% |
| Lack of work | 15% | 9% |
| Cash flow | 13% | 5% |
| Too many imports | - | 4% |
| None | 38% | 38% |

SOURCE: Yellow Pages® *Small Business Index*
*Brian Sweeney & Associates - February 1999*

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# Small Business Outlook - National

- Sharp rise in confidence
- Sales and profit growth strong and firmer with expectations also up
- Jobs growth for second successive quarter
- Concerns at lowest level since 1993
- Rise in approval of Federal Government policies

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - NATIONAL**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 65 | 63 | 61 | 63 | 68 |
| | NEGATIVE | 14 | 16 | 17 | 17 | 13 |
| | **NET BALANCE** | **+51** | **+47** | **+44** | **+46** | **+55** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 45 | 38 | 39 | 39 | 41 | 52 | 44 | 45 | 46 | 48 |
| | DECREASE | 24 | 30 | 28 | 24 | 21 | 11 | 11 | 10 | 13 | 10 |
| | **NET BALANCE** | **+21** | **+8** | **+11** | **+15** | **+20** | **+41** | **+33** | **+35** | **+33** | **+38** |
| SIZE OF WORKFORCE: | INCREASE | 11 | 11 | 12 | 15 | 12 | 13 | 11 | 13 | 16 | 13 |
| | DECREASE | 11 | 12 | 13 | 10 | 9 | 3 | 4 | 3 | 3 | 3 |
| | **NET BALANCE** | **0** | **-1** | **-1** | **+5** | **+3** | **+10** | **+7** | **+10** | **+13** | **+10** |
| WAGES BILL: | INCREASE | 22 | 21 | 21 | 22 | 24 | 23 | 23 | 23 | 25 | 23 |
| | DECREASE | 13 | 13 | 13 | 11 | 9 | 6 | 6 | 5 | 5 | 5 |
| | **NET BALANCE** | **+9** | **+8** | **+8** | **+11** | **+15** | **+17** | **+17** | **+18** | **+20** | **+18** |
| PRICES: | INCREASE | 18 | 20 | 20 | 18 | 19 | 26 | 21 | 25 | 17 | 24 |
| | DECREASE | 7 | 9 | 5 | 8 | 6 | 4 | 3 | 3 | 3 | 3 |
| | **NET BALANCE** | **+11** | **+11** | **+15** | **+10** | **+13** | **+22** | **+18** | **+22** | **+14** | **+21** |
| PROFITABILITY: | INCREASE | 40 | 32 | 34 | 37 | 37 | 49 | 42 | 42 | 44 | 46 |
| | DECREASE | 21 | 31 | 29 | 25 | 22 | 11 | 14 | 10 | 14 | 10 |
| | **NET BALANCE** | **+19** | **+1** | **+5** | **+12** | **+15** | **+38** | **+28** | **+32** | **+30** | **+36** |
| CAPITAL EXPENDITURE: | INCREASE | 20 | 23 | 25 | 24 | 21 | 26 | 24 | 21 | 24 | 25 |
| | DECREASE | 20 | 19 | 19 | 20 | 20 | 17 | 21 | 19 | 22 | 17 |
| | **NET BALANCE** | **0** | **+4** | **+6** | **+4** | **+1** | **+9** | **+3** | **+2** | **+2** | **+8** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*



Yellow Pages

# Small Business Outlook - NSW

- Confidence in own prospects fell
- Sales and profit growth eased
- Sales and profit expectations slightly firmer
- Job growth fell after showing growth last quarter

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - NSW**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 71 | 61 | 61 | 64 | 64 |
| | NEGATIVE | 14 | 16 | 18 | 15 | 18 |
| | **NET BALANCE** | **+57** | **+45** | **+43** | **+49** | **+46** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 46 | 36 | 40 | 41 | 38 | 62 | 45 | 46 | 49 | 47 |
| | DECREASE | 22 | 27 | 28 | 20 | 22 | 9 | 7 | 8 | 12 | 8 |
| | **NET BALANCE** | **+24** | **+9** | **+12** | **+21** | **+16** | **+53** | **+38** | **+38** | **+37** | **+39** |
| SIZE OF WORKFORCE: | INCREASE | 8 | 10 | 13 | 19 | 11 | 11 | 14 | 14 | 18 | 14 |
| | DECREASE | 11 | 12 | 15 | 10 | 12 | 4 | 4 | 4 | 2 | 4 |
| | **NET BALANCE** | **-3** | **-2** | **-2** | **+9** | **-1** | **+7** | **+10** | **+10** | **+16** | **+10** |
| WAGES BILL: | INCREASE | 23 | 22 | 21 | 24 | 27 | 24 | 26 | 25 | 25 | 23 |
| | DECREASE | 13 | 13 | 12 | 11 | 13 | 8 | 5 | 5 | 5 | 6 |
| | **NET BALANCE** | **+10** | **+9** | **+9** | **+13** | **+14** | **+16** | **+21** | **+20** | **+20** | **+17** |
| PRICES: | INCREASE | 20 | 22 | 16 | 21 | 22 | 24 | 25 | 24 | 15 | 24 |
| | DECREASE | 5 | 5 | 4 | 7 | 4 | 3 | 4 | 4 | 3 | 3 |
| | **NET BALANCE** | **+15** | **+17** | **+12** | **+14** | **+18** | **+21** | **+21** | **+20** | **+12** | **+21** |
| PROFITABILITY: | INCREASE | 41 | 30 | 34 | 39 | 35 | 60 | 44 | 44 | 47 | 48 |
| | DECREASE | 18 | 28 | 29 | 21 | 23 | 8 | 13 | 7 | 12 | 7 |
| | **NET BALANCE** | **+23** | **+2** | **+5** | **+18** | **+12** | **+52** | **+31** | **+37** | **+35** | **+41** |
| CAPITAL EXPENDITURE: | INCREASE | 24 | 28 | 25 | 24 | 20 | 26 | 24 | 23 | 24 | 23 |
| | DECREASE | 19 | 19 | 21 | 19 | 22 | 17 | 20 | 15 | 22 | 18 |
| | **NET BALANCE** | **+5** | **+9** | **+4** | **+5** | **-2** | **+9** | **+4** | **+8** | **+2** | **+5** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

Yellow Pages

# Small Business Outlook - Victoria

- Sharp rise in confidence
- Sales and profit growth lift; expectations stable
- Jobs growth positive but eased; expectations remain high
- Support for Kennett Government policies highest since May 1996

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - VICTORIA**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 59 | 65 | 58 | 62 | 70 |
| | NEGATIVE | 14 | 13 | 18 | 18 | 10 |
| | **NET BALANCE** | **+45** | **+52** | **+40** | **+44** | **+60** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 46 | 40 | 43 | 39 | 42 | 49 | 41 | 45 | 44 | 48 |
| | DECREASE | 22 | 34 | 29 | 25 | 21 | 13 | 14 | 14 | 12 | 14 |
| | **NET BALANCE** | **+24** | **+6** | **+14** | **+14** | **+21** | **+36** | **+27** | **+31** | **+32** | **+34** |
| SIZE OF WORKFORCE: | INCREASE | 12 | 10 | 12 | 13 | 11 | 19 | 8 | 12 | 15 | 14 |
| | DECREASE | 10 | 10 | 14 | 8 | 8 | 1 | 5 | 2 | 4 | 2 |
| | **NET BALANCE** | **+2** | **0** | **-2** | **+5** | **+3** | **+18** | **+3** | **+10** | **+11** | **+12** |
| WAGES BILL: | INCREASE | 22 | 22 | 24 | 20 | 27 | 25 | 21 | 21 | 25 | 22 |
| | DECREASE | 8 | 12 | 12 | 10 | 7 | 5 | 7 | 6 | 7 | 4 |
| | **NET BALANCE** | **+14** | **+10** | **+12** | **+10** | **+20** | **+20** | **+14** | **+15** | **+18** | **+18** |
| PRICES: | INCREASE | 16 | 19 | 24 | 15 | 15 | 27 | 18 | 27 | 18 | 22 |
| | DECREASE | 8 | 13 | 4 | 9 | 6 | 4 | 1 | 2 | 4 | 2 |
| | **NET BALANCE** | **+8** | **+6** | **+20** | **+6** | **+9** | **+23** | **+17** | **+25** | **+14** | **+20** |
| PROFITABILITY: | INCREASE | 42 | 36 | 37 | 37 | 40 | 47 | 41 | 44 | 42 | 44 |
| | DECREASE | 20 | 34 | 29 | 28 | 21 | 15 | 17 | 11 | 14 | 14 |
| | **NET BALANCE** | **+22** | **+2** | **+8** | **+9** | **+19** | **+32** | **+24** | **+33** | **+28** | **+30** |
| CAPITAL EXPENDITURE: | INCREASE | 17 | 23 | 25 | 24 | 24 | 25 | 25 | 22 | 26 | 26 |
| | DECREASE | 19 | 16 | 15 | 19 | 20 | 17 | 18 | 18 | 21 | 20 |
| | **NET BALANCE** | **-2** | **+7** | **+10** | **+5** | **+4** | **+8** | **+7** | **+4** | **+5** | **+6** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

# Small Business Outlook - Queensland

- Sharp rise in confidence
- Sales, job and profit growth sharply up; expectations stronger
- Sharp rise in job growth; expectations lower
- Investment growth slowed in past quarter but expectations rebound

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - QUEENSLAND**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 59 | 62 | 62 | 62 | 70 |
| | NEGATIVE | 16 | 21 | 17 | 18 | 10 |
| | **NET BALANCE** | **+43** | **+41** | **+45** | **+44** | **+60** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 45 | 40 | 40 | 40 | 45 | 48 | 51 | 46 | 45 | 48 |
| | DECREASE | 27 | 28 | 21 | 22 | 18 | 14 | 10 | 8 | 13 | 9 |
| | **NET BALANCE** | **+18** | **+12** | **+19** | **+18** | **+27** | **+34** | **+41** | **+38** | **+32** | **+39** |
| SIZE OF WORKFORCE: | INCREASE | 14 | 14 | 10 | 12 | 15 | 12 | 11 | 12 | 15 | 12 |
| | DECREASE | 12 | 15 | 11 | 12 | 5 | 5 | 2 | 5 | 2 | 2 |
| | **NET BALANCE** | **+2** | **-1** | **-1** | **0** | **+10** | **+7** | **+9** | **+7** | **+13** | **+10** |
| WAGES BILL: | INCREASE | 22 | 23 | 18 | 24 | 23 | 23 | 21 | 22 | 27 | 28 |
| | DECREASE | 20 | 18 | 14 | 10 | 4 | 7 | 4 | 6 | 3 | 4 |
| | **NET BALANCE** | **+2** | **+5** | **+4** | **+14** | **+19** | **+16** | **+17** | **+16** | **+24** | **+24** |
| PRICES: | INCREASE | 19 | 17 | 18 | 14 | 17 | 27 | 17 | 19 | 15 | 24 |
| | DECREASE | 11 | 11 | 7 | 7 | 8 | 5 | 2 | 2 | 2 | 1 |
| | **NET BALANCE** | **+8** | **+6** | **+11** | **+7** | **+9** | **+22** | **+15** | **+17** | **+13** | **+23** |
| PROFITABILITY: | INCREASE | 40 | 34 | 33 | 38 | 38 | 45 | 43 | 40 | 44 | 47 |
| | DECREASE | 24 | 29 | 25 | 27 | 19 | 14 | 13 | 10 | 19 | 10 |
| | **NET BALANCE** | **+16** | **+5** | **+8** | **+11** | **+19** | **+31** | **+30** | **+30** | **+25** | **+37** |
| CAPITAL EXPENDITURE: | INCREASE | 19 | 18 | 28 | 29 | 20 | 28 | 24 | 22 | 18 | 27 |
| | DECREASE | 24 | 20 | 18 | 21 | 20 | 20 | 24 | 22 | 25 | 14 |
| | **NET BALANCE** | **-5** | **-2** | **+10** | **+8** | **0** | **+8** | **0** | **0** | **-7** | **+13** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

Yellow Pages

# Small Business Outlook - SA

- Confidence in own prospects high and stable
- Growth in sales, jobs and profits stronger
- Sales and profit expectations weaker
- Capital expenditure firmed but expected to weaken

## TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - SA

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 71 | 67 | 66 | 72 | 69 |
| | NEGATIVE | 11 | 6 | 9 | 11 | 7 |
| | **NET BALANCE** | **+60** | **+61** | **+57** | **+61** | **+62** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 39 | 36 | 30 | 41 | 45 | 45 | 40 | 43 | 44 | 43 |
| | DECREASE | 23 | 27 | 29 | 22 | 18 | 7 | 12 | 7 | 6 | 9 |
| | **NET BALANCE** | **+16** | **+9** | **+1** | **+19** | **+27** | **+38** | **+28** | **+36** | **+38** | **+34** |
| SIZE OF WORKFORCE: | INCREASE | 14 | 10 | 11 | 17 | 14 | 11 | 11 | 11 | 16 | 15 |
| | DECREASE | 8 | 14 | 6 | 13 | 5 | 1 | 3 | 2 | 3 | 3 |
| | **NET BALANCE** | **+6** | **-4** | **+5** | **+4** | **+9** | **+10** | **+8** | **+9** | **+13** | **+12** |
| WAGES BILL: | INCREASE | 25 | 20 | 21 | 22 | 14 | 19 | 16 | 21 | 25 | 25 |
| | DECREASE | 12 | 11 | 10 | 8 | 11 | 3 | 7 | 6 | 5 | 5 |
| | **NET BALANCE** | **+13** | **+9** | **+11** | **+14** | **+3** | **+16** | **+9** | **+15** | **+20** | **+20** |
| PRICES: | INCREASE | 19 | 23 | 26 | 23 | 24 | 26 | 20 | 33 | 19 | 31 |
| | DECREASE | 6 | 9 | 5 | 7 | 5 | 2 | 2 | 3 | 1 | 5 |
| | **NET BALANCE** | **+13** | **+14** | **+21** | **+16** | **+19** | **+24** | **+18** | **+30** | **+18** | **+26** |
| PROFITABILITY: | INCREASE | 33 | 28 | 27 | 35 | 39 | 45 | 35 | 43 | 44 | 40 |
| | DECREASE | 23 | 28 | 33 | 23 | 20 | 9 | 13 | 7 | 8 | 9 |
| | **NET BALANCE** | **+13** | **0** | **-6** | **+12** | **+19** | **+36** | **+22** | **+36** | **+36** | **+31** |
| CAPITAL EXPENDITURE: | INCREASE | 18 | 18 | 22 | 18 | 20 | 25 | 23 | 11 | 28 | 21 |
| | DECREASE | 15 | 22 | 15 | 20 | 19 | 16 | 22 | 16 | 21 | 19 |
| | **NET BALANCE** | **+3** | **-4** | **+7** | **-2** | **+1** | **+9** | **+1** | **-5** | **+7** | **+2** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*



Yellow Pages

# Small Business Outlook - WA

- Sharp rebound in confidence to highest across states (only Northern Territory is higher)
- Sales growth sharply up; profits firmer
- Employment growth stable
- Expected growth in sales, profits and capital expenditure sharply higher
- Court Government policies continue to be negatively assessed

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - WA**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 69 | 66 | 66 | 60 | 75 |
| | NEGATIVE | 14 | 15 | 16 | 19 | 9 |
| | **NET BALANCE** | **+55** | **+51** | **+50** | **+41** | **+66** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 39 | 32 | 32 | 33 | 44 | 41 | 40 | 41 | 40 | 49 |
| | DECREASE | 28 | 41 | 38 | 31 | 29 | 7 | 16 | 13 | 21 | 11 |
| | **NET BALANCE** | **+11** | **-9** | **-6** | **+2** | **+15** | **+34** | **+24** | **+28** | **+19** | **+38** |
| SIZE OF WORKFORCE: | INCREASE | 12 | 13 | 10 | 12 | 13 | 10 | 8 | 12 | 14 | 10 |
| | DECREASE | 12 | 10 | 15 | 10 | 11 | 2 | 5 | 1 | 4 | 4 |
| | **NET BALANCE** | **0** | **+3** | **-5** | **+2** | **+2** | **+8** | **+3** | **+11** | **+10** | **+6** |
| WAGES BILL: | INCREASE | 14 | 15 | 17 | 17 | 17 | 17 | 21 | 21 | 16 | 21 |
| | DECREASE | 11 | 13 | 21 | 13 | 9 | 5 | 9 | 3 | 8 | 6 |
| | **NET BALANCE** | **+3** | **+2** | **-4** | **+4** | **+8** | **+12** | **+12** | **+18** | **+8** | **+15** |
| PRICES: | INCREASE | 16 | 20 | 25 | 18 | 20 | 34 | 19 | 26 | 26 | 24 |
| | DECREASE | 8 | 8 | 2 | 8 | 7 | 2 | 9 | 3 | 1 | 3 |
| | **NET BALANCE** | **+8** | **+12** | **+23** | **+10** | **+13** | **+32** | **+10** | **+23** | **+25** | **+21** |
| PROFITABILITY: | INCREASE | 37 | 34 | 31 | 31 | 33 | 30 | 39 | 34 | 40 | 45 |
| | DECREASE | 25 | 40 | 37 | 29 | 25 | 11 | 15 | 14 | 19 | 9 |
| | **NET BALANCE** | **+12** | **-6** | **-6** | **+2** | **+8** | **+19** | **+24** | **+20** | **+21** | **+36** |
| CAPITAL EXPENDITURE: | INCREASE | 15 | 21 | 26 | 22 | 19 | 20 | 19 | 17 | 20 | 22 |
| | DECREASE | 20 | 25 | 22 | 24 | 17 | 9 | 26 | 26 | 25 | 16 |
| | **NET BALANCE** | **-5** | **-4** | **+4** | **-2** | **+2** | **+11** | **-7** | **-9** | **-5** | **+6** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

Yellow Pages

# Small Business Outlook - Tasmania

- Rise in confidence - highest since May 1996
- Very strong turnaround in sales and profit growth
- Expectations for current quarter weaker but sales predictions for next 12 months strongest since 1995

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - TASMANIA**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 51 | 53 | 44 | 48 | 51 |
| | NEGATIVE | 18 | 19 | 24 | 18 | 11 |
| | **NET BALANCE** | **+33** | **+34** | **+20** | **+30** | **+40** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 43 | 33 | 24 | 25 | 37 | 35 | 26 | 31 | 62 | 38 |
| | DECREASE | 24 | 30 | 35 | 42 | 20 | 6 | 16 | 10 | 4 | 7 |
| | **NET BALANCE** | **+19** | **+3** | **-11** | **-17** | **+17** | **+29** | **+10** | **+21** | **+58** | **+31** |
| SIZE OF WORKFORCE: | INCREASE | 13 | 5 | 11 | 16 | 10 | 5 | 12 | 4 | 10 | 4 |
| | DECREASE | 9 | 12 | 10 | 14 | 12 | 4 | 4 | 6 | 1 | 2 |
| | **NET BALANCE** | **+4** | **-7** | **+1** | **+2** | **-2** | **+1** | **+8** | **-2** | **+9** | **+2** |
| WAGES BILL: | INCREASE | 18 | 21 | 20 | 17 | 15 | 16 | 22 | 17 | 24 | 9 |
| | DECREASE | 8 | 10 | 13 | 17 | 8 | 8 | 11 | 6 | 2 | 5 |
| | **NET BALANCE** | **+10** | **+11** | **+7** | **0** | **+7** | **+8** | **+11** | **+11** | **+22** | **+4** |
| PRICES: | INCREASE | 25 | 23 | 31 | 29 | 18 | 28 | 16 | 31 | 24 | 14 |
| | DECREASE | 8 | 6 | 4 | 11 | 11 | 3 | 4 | 0 | 3 | 4 |
| | **NET BALANCE** | **+17** | **+17** | **+27** | **+18** | **+7** | **+25** | **+12** | **+31** | **+21** | **+10** |
| PROFITABILITY: | INCREASE | 42 | 31 | 21 | 23 | 31 | 36 | 22 | 31 | 54 | 35 |
| | DECREASE | 30 | 27 | 29 | 38 | 21 | 5 | 18 | 10 | 4 | 7 |
| | **NET BALANCE** | **+12** | **+4** | **-8** | **-15** | **+10** | **+31** | **+4** | **+21** | **+50** | **+28** |
| CAPITAL EXPENDITURE: | INCREASE | 24 | 18 | 18 | 22 | 15 | 23 | 14 | 11 | 26 | 20 |
| | DECREASE | 17 | 21 | 25 | 24 | 22 | 14 | 35 | 25 | 14 | 20 |
| | **NET BALANCE** | **+7** | **-3** | **-7** | **-2** | **-7** | **+9** | **-21** | **-14** | **+12** | **0** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

Yellow Pages

# Small Business Outlook - NT

- Sharp rebound in confidence to highest level of all states and territories
- Sales, job and capital expenditure growth negative
- Expectations for sales in current three months strongest since August 1995

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - NT**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 80 | 62 | 65 | 68 | 82 |
| | NEGATIVE | 13 | 16 | 12 | 19 | 8 |
| | **NET BALANCE** | **+67** | **+46** | **+53** | **+49** | **+74** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 33 | 39 | 56 | 39 | 30 | 67 | 61 | 48 | 26 | 75 |
| | DECREASE | 39 | 35 | 12 | 32 | 33 | 5 | 4 | 6 | 30 | 2 |
| | **NET BALANCE** | **-6** | **+4** | **+44** | **+7** | **-3** | **+62** | **+57** | **+42** | **-4** | **+73** |
| SIZE OF WORKFORCE: | INCREASE | 19 | 24 | 24 | 15 | 11 | 33 | 25 | 12 | 13 | 32 |
| | DECREASE | 11 | 17 | 14 | 25 | 14 | 3 | 4 | 5 | 8 | 2 |
| | **NET BALANCE** | **+8** | **+7** | **+10** | **-10** | **-3** | **+30** | **+21** | **+7** | **+5** | **+30** |
| WAGES BILL: | INCREASE | 21 | 30 | 35 | 22 | 15 | 44 | 34 | 22 | 17 | 38 |
| | DECREASE | 23 | 18 | 10 | 17 | 16 | 6 | 7 | 7 | 14 | 3 |
| | **NET BALANCE** | **-2** | **+12** | **+25** | **+5** | **-1** | **+38** | **+27** | **+15** | **+3** | **+35** |
| PRICES : | INCREASE | 17 | 20 | 26 | 20 | 20 | 22 | 28 | 27 | 17 | 22 |
| | DECREASE | 9 | 12 | 7 | 8 | 6 | 2 | 2 | 2 | 2 | 0 |
| | **NET BALANCE** | **+8** | **+8** | **+19** | **+12** | **+14** | **+20** | **+26** | **+25** | **+15** | **+22** |
| PROFITABILITY: | INCREASE | 34 | 36 | 48 | 37 | 24 | 58 | 57 | 48 | 34 | 66 |
| | DECREASE | 37 | 34 | 12 | 30 | 24 | 5 | 4 | 11 | 28 | 3 |
| | **NET BALANCE** | **-3** | **+2** | **+36** | **+7** | **0** | **+53** | **+53** | **+37** | **+6** | **+63** |
| CAPITAL EXPENDITURE: | INCREASE | 33 | 27 | 34 | 25 | 21 | 31 | 34 | 26 | 18 | 31 |
| | DECREASE | 23 | 26 | 18 | 24 | 24 | 20 | 29 | 19 | 28 | 19 |
| | **NET BALANCE** | **+10** | **+1** | **+16** | **+1** | **-3** | **+11** | **+5** | **+7** | **-10** | **+12** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

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# Small Business Outlook - ACT

- Confidence in own business prospects strengthened
- Sales, job and investment growth weakened over Summer
- Expected sales and capital expenditure strengthened
- Expected sales strengthened
- Job expectations positive, but eased

**TRENDS IN PAST THREE MONTHS' EXPERIENCE AND CURRENT QUARTER EXPECTATIONS - ACT**

SOURCE: Yellow Pages® *Small Business Index*

| | | FEB 1998 % | MAY 1998 % | AUG 1998 % | NOV 1998 % | FEB 1999 % |
|---|---|---|---|---|---|---|
| CONFIDENCE IN OWN BUSINESS PROSPECTS IN NEXT 12 MONTHS | POSITIVE | 60 | 64 | 61 | 70 | 76 |
| | NEGATIVE | 15 | 21 | 21 | 14 | 10 |
| | **NET BALANCE** | **+45** | **+43** | **+40** | **+56** | **+66** |

| | | ACTUAL EXPERIENCE DURING: | | | | | EXPECTATIONS FOR: | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NOV-JAN 97/98 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1998 % | MAY-JUL 1998 % | AUG-OCT 1998 % | NOV-JAN 98/99 % | FEB-APR 1999 % |
| SALES VALUE: | INCREASE | 46 | 46 | 49 | 56 | 50 | 49 | 50 | 45 | 43 | 50 |
| | DECREASE | 19 | 26 | 21 | 15 | 14 | 5 | 8 | 10 | 18 | 13 |
| | **NET BALANCE** | **+27** | **+20** | **+28** | **+41** | **+36** | **+44** | **+42** | **+35** | **+25** | **+37** |
| SIZE OF WORKFORCE: | INCREASE | 12 | 18 | 10 | 21 | 7 | 15 | 8 | 11 | 18 | 13 |
| | DECREASE | 13 | 7 | 13 | 7 | 8 | 5 | 3 | 4 | 3 | 5 |
| | **NET BALANCE** | **-1** | **+11** | **-3** | **+14** | **-1** | **+10** | **+5** | **+7** | **+15** | **+8** |
| WAGES BILL: | INCREASE | 32 | 19 | 26 | 29 | 18 | 25 | 21 | 25 | 20 | 22 |
| | DECREASE | 11 | 7 | 13 | 5 | 11 | 4 | 7 | 5 | 5 | 6 |
| | **NET BALANCE** | **+21** | **+12** | **+13** | **+24** | **+7** | **+21** | **+14** | **+20** | **+15** | **+16** |
| PRICES: | INCREASE | 13 | 12 | 15 | 18 | 13 | 19 | 10 | 20 | 11 | 19 |
| | DECREASE | 5 | 8 | 7 | 5 | 7 | 4 | 2 | 3 | 2 | 1 |
| | **NET BALANCE** | **+8** | **+4** | **+8** | **+13** | **+6** | **+15** | **+8** | **+17** | **+9** | **+18** |
| PROFITABILITY: | INCREASE | 38 | 36 | 45 | 48 | 49 | 46 | 39 | 41 | 47 | 45 |
| | DECREASE | 20 | 21 | 20 | 16 | 11 | 8 | 11 | 9 | 15 | 11 |
| | **NET BALANCE** | **+18** | **+15** | **+25** | **+32** | **+38** | **+38** | **+28** | **+32** | **+32** | **+34** |
| CAPITAL EXPENDITURE: | INCREASE | 29 | 20 | 26 | 28 | 17 | 25 | 25 | 36 | 28 | 30 |
| | DECREASE | 15 | 19 | 17 | 19 | 23 | 21 | 20 | 20 | 21 | 9 |
| | **NET BALANCE** | **+14** | **+1** | **+9** | **+9** | **-6** | **+4** | **+5** | **+16** | **+7** | **+21** |

** Net balance is defined as the difference between the percentage of small businesses reporting an increase and the percentage reporting a decrease.*

Yellow Pages

## YELLOW PAGES® *SMALL BUSINESS INDEX* "SPECIAL REPORTS"

Since the inception of the *Small Business Index*, a range of Special Reports has been produced. Major reports include:

SOCIAL ISSUES - NOVEMBER 1993

THE IMPACT OF THE DROUGHT ON RURAL SMALL BUSINESS - NOVEMBER 1994

SMALL BUSINESS GROWTH ASPIRATIONS AND THE ROLE OF EXPORTS - FEBRUARY 1995

FINANCE & BANKING ISSUES - AUGUST 1995

ATTITUDES TO GOVERNMENT - OCTOBER 1994 & NOVEMBER 1995

WOMEN IN BUSINESS - JULY 1994 & FEBRUARY 1996

THE PAPERWORK BURDEN ON SMALL BUSINESS - OCTOBER 1996

TECHNOLOGY IN THE SMALL BUSINESS SECTOR - JULY 1995, JULY 1996, AUGUST 1997

ELECTRONIC COMMERCE - APRIL 1998

WORKERS COMPENSATION & WORKPLACE SAFETY - NOVEMBER 1998

Other special topics investigated include NSW Bushfires, the Sydney Olympics, Exports, Industrial Relations, Australian Made and other Credential Advertising, and Employment Skills and Training.

For further information on these reports, please contact:
Pacific Access
Corporate Communications Department
PH: (03) 9246 4767
FAX: (03) 9246 4876

The regular Yellow Pages® *Small Business Index* reports are updated each quarter (February, May, August and November). The latest report can be accessed on the Pacific Access corporate Internet site:
**http://www.pacificaccess.com.au/sbi**

Pacific Access Pty Ltd was established in Melbourne, Australia in 1991. The company brings together Australian expertise in directories advertising with the experience of its partners in international markets. Pacific Access continues to invest in skills and resources to extend its reach into the Pacific Rim region.

In Australia, Pacific Access had traded as Yellow Pages Australia with commercial responsibility for the sales, marketing, billing, compilation and customer service operations to produce 70 Yellow Pages® directories nationally.

In July 1997, Pacific Access also assumed commercial responsibility as Telstra's agent for the management and production of printed and electronic White Pages™ directories, *White Pages* and *Yellow Pages* directory production and distribution, and geo-mapping services. Pacific Access is now a full services directory company, which will enable it to provide tangible benefits to customers and users.

More than 80% of Pacific Access' *Yellow Pages* directory customers are small businesses. The company is committed to supporting this vital sector of the business community though a number of initiatives such as the Small Business Index™, AUSbiz Small Business Development Program and the Yellow Pages® *Business Ideas Grants*.

*If you have any enquiries relating to Pacific Access and its initiatives, please phone (03) 9246 4767.*

FEBRUARY 1999

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