

# 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 periods; 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 Sweeney Research. 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.

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 2000) survey was conducted over the period 1st February to 15th February 2000. The report covers the experience over the past three months (November 1999 to January 2000) and expectations for both the current quarter (February 2000 to March 2000) and the 12 months ending January 2001.

### 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	—
<b>TOTAL</b>	<b>1200</b>	<b>910</b>	<b>290</b>

### Division

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

# Small Business Outlook - National Summary

## CONFIDENCE IN OWN BUSINESS PROSPECTS OVER THE NEXT 12 MONTHS

Small business confidence has fallen to the lowest level since May 1997. The 11 percentage point drop in confidence is the greatest fall since August 1996. The net balance of proprietors confident in their own business prospects is now only 41% versus 52% three months ago.

The national fall is driven by the collapse of confidence in non-metropolitan regions where proprietors recorded the lowest level of confidence in nearly seven years. In contrast, confidence is little changed in the capital cities.

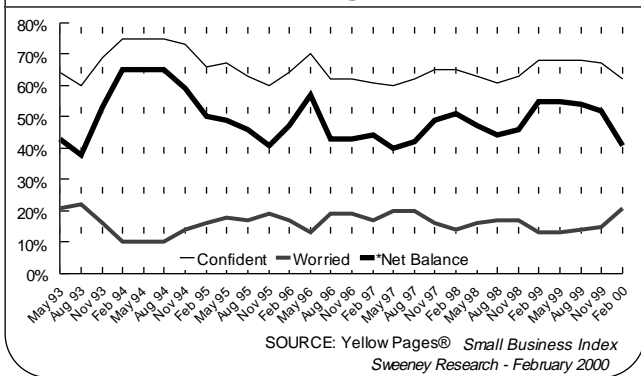
All states and territories, except Victoria, reported lower confidence levels in the quarter. The largest fall was reported in Queensland – now at its lowest level since the Index began in May 1993. Confidence also fell in all sectors except Business Services. Personal Services and Transport – the sectors most likely to be adversely affected by the GST – declined most significantly.

### Confidence Trends - Past Five Quarters

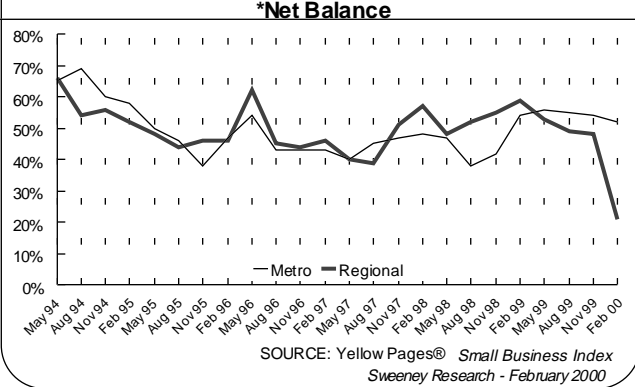
	Feb 99	May 99	Aug 99	Nov 99	Feb 00
Extremely Confident	14%	15%	15%	15%	13%
Fairly Confident	54%	54%	53%	52%	50%
Neutral	19%	18%	18%	18%	17%
Fairly Worried	11%	11%	11%	12%	17%
Extremely Worried	2%	3%	3%	3%	4%
Total Confident	68%	68%	68%	67%	62%
Total Worried	13%	13%	14%	15%	21%
<b>*NET BALANCE</b>	<b>+55%</b>	<b>+55%</b>	<b>+54%</b>	<b>+52%</b>	<b>+41%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

### Confidence - Long-term Trends



### Confidence - Metro vs Regional



### Trends By State

#### \*Net Balance

	Feb 99	May 99	Aug 99	Nov 99	Feb 00
National	55%	55%	54%	52%	41%
New South Wales	46%	56%	53%	57%	44%
Victoria	60%	59%	54%	45%	48%
Queensland	60%	44%	51%	43%	22%
South Australia	62%	59%	71%	63%	55%
Western Australia	66%	62%	47%	56%	42%
Tasmania	40%	40%	30%	43%	35%
Northern Territory	74%	55%	49%	59%	49%
A.C.T	66%	60%	65%	63%	54%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

### Trends By Sector

#### \*Net Balance

	Feb 99	May 99	Aug 99	Nov 99	Feb 00
All Businesses	55%	55%	54%	52%	41%
Manufacturing	57%	52%	43%	53%	41%
Building/Construction	64%	57%	65%	43%	36%
Wholesale/Retail	49%	51%	45%	44%	32%
Transport/Storage	50%	43%	50%	40%	22%
Business Services	57%	62%	59%	62%	64%
Personal Services	58%	53%	56%	57%	36%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000



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

## PERCEPTIONS OF THE ECONOMY

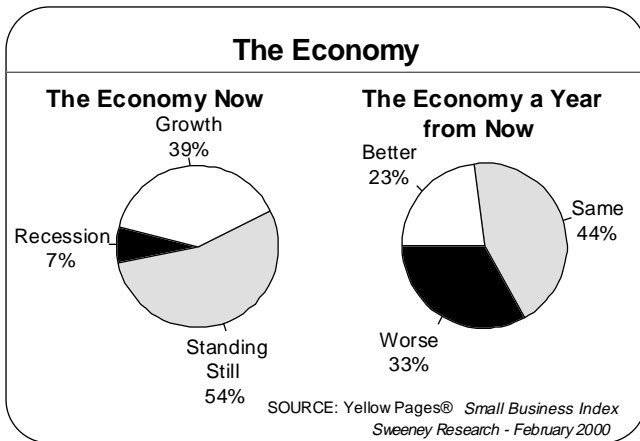
Perceptions of the economy now is at its highest level since May 1994. More than half (54%) of all small business proprietors believe that the economy is in a period of growth, while only 7% believe it is in recession.

Perceptions of the economy now are highest in NSW and the ACT – at record levels. Proprietors in Western Australian reported the largest fall and are now the least positive.

For the first time since August 1998, more small business proprietors believe the economy will be worse in a year's time than believe it will be better. Proprietors in Western Australia and Victoria are the most pessimistic.

In comparison with three months ago, lower expectations were reported across all states and territories, with the sharpest declines evident in the Northern Territory and Western Australia.

All sectors, except Transport, expect the economy to be worse a year from now.



### Perceptions of the Economy - Trends

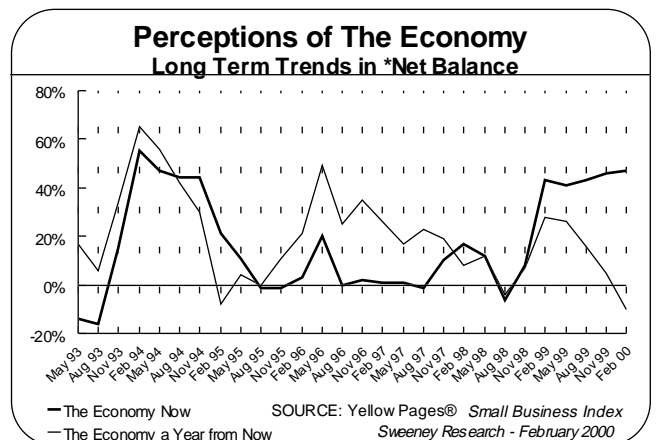
	Feb 99	May 99	Aug 99	Nov 99	Feb 00
<b>THE ECONOMY NOW</b>					
Growth	47%	46%	47%	50%	54%
Recession	4%	5%	4%	4%	7%
<b>*Net Balance</b>	<b>43%</b>	<b>41%</b>	<b>43%</b>	<b>46%</b>	<b>47%</b>
<b>THE ECONOMY A YEAR FROM NOW</b>					
Better	40%	38%	34%	28%	23%
Worse	12%	12%	18%	23%	33%
<b>*Net Balance</b>	<b>28%</b>	<b>26%</b>	<b>16%</b>	<b>5%</b>	<b>-10%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

### Perceptions of the Economy by State

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
<b>THE ECONOMY NOW</b>								
Growth	63%	55%	45%	52%	34%	44%	48%	70%
Recession	5%	6%	12%	5%	11%	7%	5%	4%
<b>*Net Balance</b>	<b>58%</b>	<b>49%</b>	<b>33%</b>	<b>47%</b>	<b>23%</b>	<b>37%</b>	<b>43%</b>	<b>66%</b>
<b>THE ECONOMY A YEAR FROM NOW</b>								
Better	22%	19%	27%	34%	18%	35%	24%	29%
Worse	31%	36%	36%	29%	35%	22%	21%	27%
<b>*Net Balance</b>	<b>-9%</b>	<b>-17%</b>	<b>-9%</b>	<b>5%</b>	<b>-17%</b>	<b>13%</b>	<b>3%</b>	<b>2%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000



\*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 sales, profits and employment over the next 12 months continued to decline in February 2000 and are now at their lowest levels since the Index began surveying 12-month expectations in May 1995.

More than two-thirds (68%) of small businesses expect to increase their prices this year, with only 4% expecting them to decline.

	Expect An Increase	Expect A Decrease	*Net Balance
Value of sales	55%	18%	37%
Size of workforce	20%	6%	14%
Wages bill	37%	8%	29%
Prices charged	68%	4%	64%
Profitability	45%	23%	22%
Capital expenditure	37%	21%	16%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

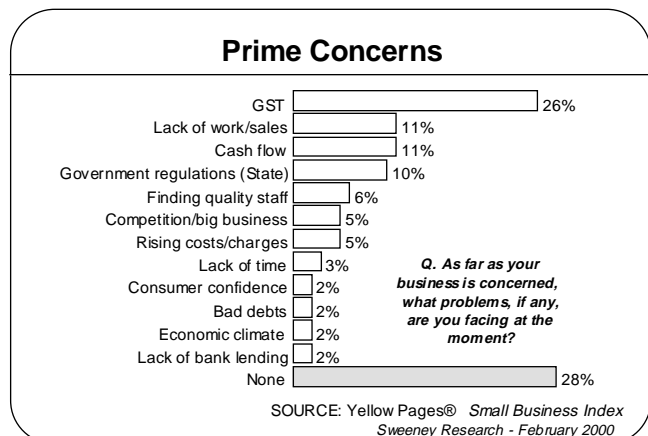
	Feb 99	May 99	Aug 99	Nov 99	Feb 00
Value of sales	56%	54%	55%	42%	37%
Size of workforce	21%	20%	21%	18%	14%
Wages bill	36%	36%	34%	31%	29%
Prices charged	41%	42%	47%	53%	64%
Profitability	54%	53%	49%	37%	22%
Capital expenditure	24%	21%	17%	15%	16%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

## CONCERNS

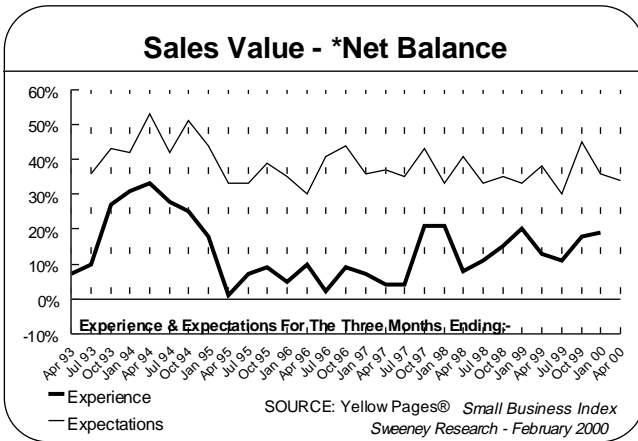
The GST is now the major concern facing small businesses in all sectors and in all states and territories, except Tasmania (where 'lack of work' is the major concern). Nationally, more than one-quarter stated concern about the GST. In Victoria, South Australia and the ACT and in the Transport sector this level of concern rises to one third or more.

While 'lack of work' and 'cash flow' remain major concerns, there was a significant increase in the number of small businesses citing 'state government regulations'. In particular, 13% of Victorian and 16% of South Australian small businesses cited this concern.



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

**SALES**



Small business proprietors reported strong sales growth in the January quarter 2000 - the highest for 12 months.

Across the states and territories, the ACT continued to report spectacular sales growth. The net 46% reporting higher sales figures is the highest on record for the Territory and the highest for any state or territory since April 1994. Proprietors in the Northern Territory and Western Australia reported the largest fall in sales growth.

Across the sectors, small Personal Services firms reported lower sales.

Sales expectations for the current quarter (February-April) show a slight slowing. The number of proprietors in the Northern Territory expecting higher sales was offset by sharp declines in Tasmania and South Australia.

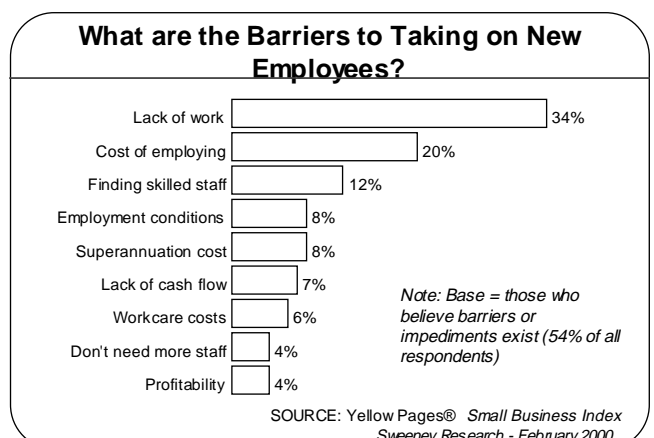
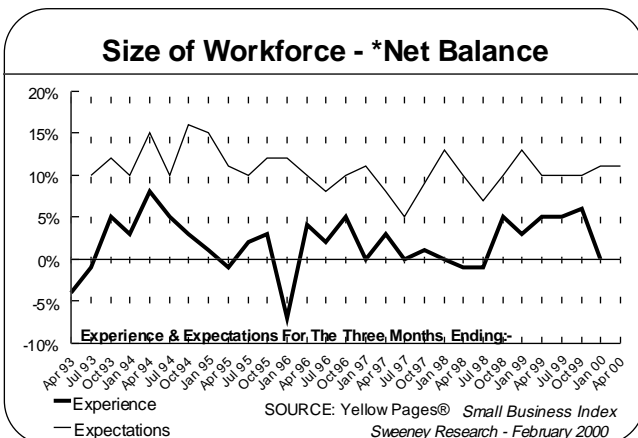
**EMPLOYMENT**

Employment growth stalled over the three months to February. Nationally, the zero growth is the lowest figure reported since the August 1998 survey and ends the run of five consecutive quarters of job generation by small business.

Only proprietors in South Australia, Western Australia and the ACT reported jobs growth in the past quarter. Jobs continued to be shed in Tasmania.

Across the sectors, only Business Services and Manufacturing reported strong employment growth.

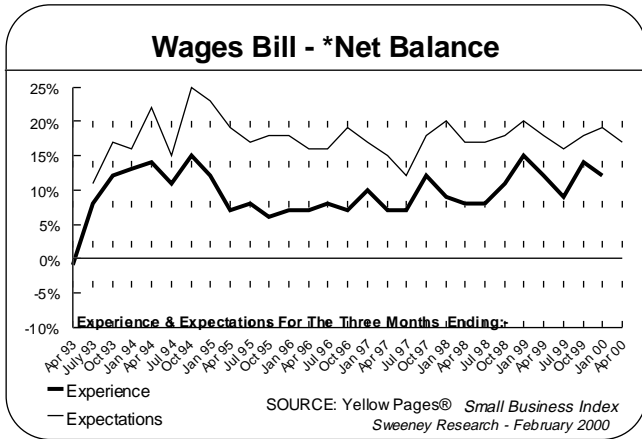
The major barrier cited by firms seeking to hire new employees continues to be 'lack of work'



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

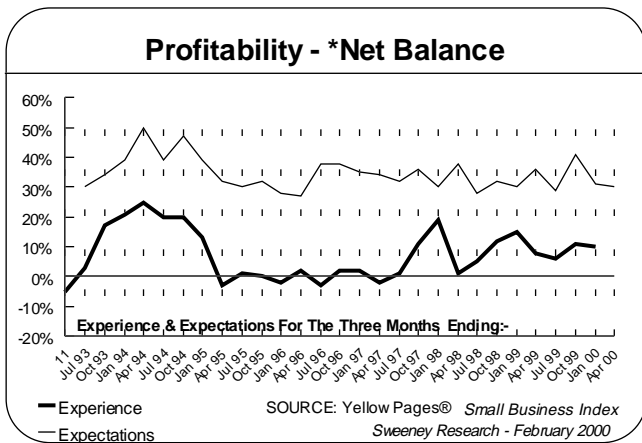


## WAGES BILL



Wage growth slowed slightly in the past three months. Across the states and territories, only Queensland reported higher wages growth.

## PROFITABILITY AND CAPITAL EXPENDITURE

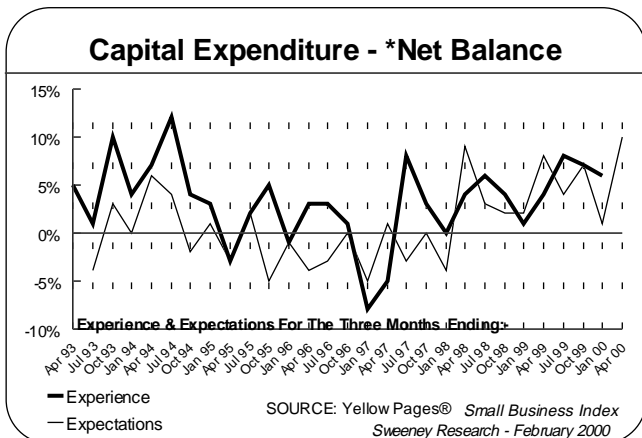


Consistent with reported sales, small business profit growth continued to be strong in the January quarter 2000.

All states and territories, except Western Australia, reported growth in profits. However, proprietors in the Northern Territory reported a significant fall in profit growth but expect a rebound.

Growth in capital expenditure continued to be strong, although slightly down on the past quarter. The national growth was due entirely to growth in expenditure in New South Wales, Victoria and the ACT.

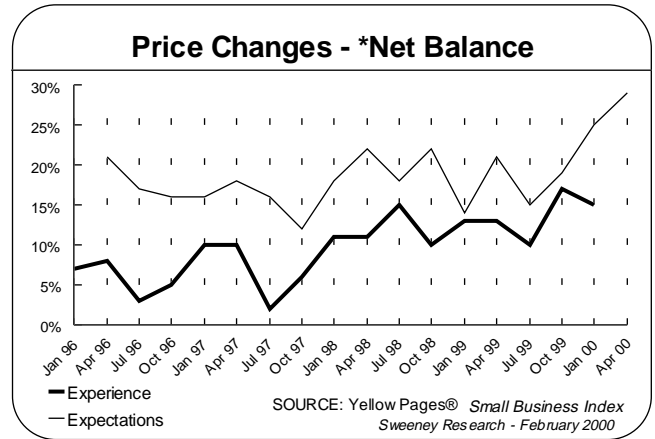
Expectations for capital expenditure growth are at one of the highest levels yet recorded.



## PRICES

Reported price increases fell marginally over the three months to January.

Price expectations continue to rise and are now at the highest level since the Index began surveying price expectations in August 1996. Almost one-third expect to increase prices over the current quarter.



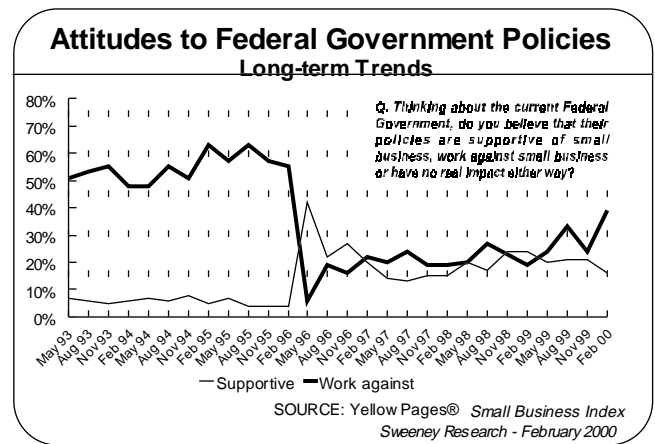
## ASSESSMENT OF FEDERAL GOVERNMENT POLICIES

Small business approval of Federal Government policies fell sharply over the three months to February. More than one-third of small business proprietors believe Federal policies work against them and only 16% believe they are supportive.

The strong negative assessment is the lowest figure reported since the last days of the Keating Government (February 1996) and more than 10 percentage points below the previous worst assessment for the Howard Government.

All states and territories reported a net negative assessment. In each state and territory, no fewer than 32% of small business proprietors believe the Federal policies work against small business. In Victoria, almost half (47%) have this negative view.

Similarly, all sectors also reported a negative assessment.



**Attitudes to Federal Government Policies Past Five Quarters**

	Feb 99	May 99	Aug 99	Nov 99	Feb 00
Supportive	24%	20%	21%	21%	16%
Work against	19%	24%	33%	24%	39%
No impact	57%	56%	46%	55%	46%
<b>Net Balance</b>	<b>5%</b>	<b>-4%</b>	<b>-12%</b>	<b>-3%</b>	<b>-23%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

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



## ASSESSMENT OF STATE GOVERNMENT POLICIES

In every state, small business proprietors believe their state government's policies, on balance, work against small business. In contrast, in both the territories, proprietors believe their government policies are supportive.

Those in the Northern Territory are particularly positive.

Over the three months since the previous Index the governments in South Australia and Victoria have experienced the most significant decline in support.

### Attitudes to State or Territory Government Policies - February 2000

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Supportive	8%	6%	16%	10%	13%	10%	62%	25%
Work against	22%	19%	18%	31%	19%	15%	15%	16%
No impact	71%	75%	66%	59%	68%	75%	24%	58%
<b>*Net Balance</b>	<b>-14%</b>	<b>-13%</b>	<b>-2%</b>	<b>-21%</b>	<b>-6%</b>	<b>-5%</b>	<b>47%</b>	<b>9%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

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

	Feb 99	May 99	Aug 99	Nov 99	Feb 00
New South Wales	-17%	-13%	-16%	-25%	-14%
Victoria	30%	27%	20%	-5%	-13%
Queensland	8%	-8%	-6%	-9%	-2%
South Australia	-10%	-5%	-6%	-10%	-21%
Western Australia	-7%	3%	-12%	-9%	-6%
Tasmania	-10%	-12%	-11%	0%	-5%
Northern Territory	48%	51%	44%	48%	47%
A.C.T	-4%	-1%	3%	10%	9%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

\*Net balance is defined as the difference between the percentage with a positive attitude and the percentage with a negative attitude

## THE GST

Small business support for the GST has deteriorated sharply over the past three months.

While more than half of small business proprietors are still in favour of the GST, almost 40 per cent are now against the new tax. Of those opposed to the new tax, the overwhelming majority are strongly opposed.

Nearly three-quarters of small business proprietors are concerned about GST complexity.

The majority of small businesses agreed that the GST will adversely affect their bottom line with almost 40 per cent strongly agreeing with this statement.

The net balance in favour in February 2000 fell by eight percentage points in the quarter and is well below that reported in November 1998. The proportion opposed has changed little since November 1998. In contrast, the proportion in favour has fallen by more than 10 percentage points.

The proportion of small business proprietors who are worried about the complexity of the tax has not improved from the levels reported in May 1999 despite increased government advertising and educational efforts.

Across the sectors, strongest support for the tax is found in Manufacturing and Building. Of the three service sectors (Transport, Business Services and Personal Services), proprietors in Transport and Personal Services are more likely to be opposed.

Concerns about complexity were fairly consistent across the sectors. At least two-thirds of proprietors in each sector were concerned and between 17 and 25 per cent not concerned.

More than half of proprietors in each sector, except Manufacturing, agreed that the GST would adversely affect their bottom line. Not unsurprisingly, the sectors believing they would be least likely to be adversely affected are also those most in favour of the tax.

### Attitudes Towards the GST

	Agree Strongly	Agree a Little	Neutral	Disagree a Little	Disagree Strongly
I'm in favour of the GST	26%	25%	10%	9%	30%
I'm worried about the complexity involved in complying	55%	19%	4%	10%	13%
I believe that the GST will have an adverse effect on my bottom line	38%	18%	8%	19%	17%

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

### Attitudes Towards the GST - Trends

	Nov-98	May-99	Aug-99	Nov-99	Feb-00
<b>I'm in favour of the GST</b>					
Agree	62%	58%	55%	55%	51%
Neutral	2%	6%	12%	10%	10%
Disagree	36%	36%	33%	35%	39%
<b>Net Agree</b>	<b>26%</b>	<b>22%</b>	<b>22%</b>	<b>20%</b>	<b>12%</b>
<b>I'm worried about the complexity involved in complying</b>					
Agree	61%	72%	74%	70%	73%
Neutral	4%	4%	5%	4%	4%
Disagree	35%	24%	21%	26%	23%
<b>Net Agree</b>	<b>26%</b>	<b>48%</b>	<b>53%</b>	<b>44%</b>	<b>50%</b>

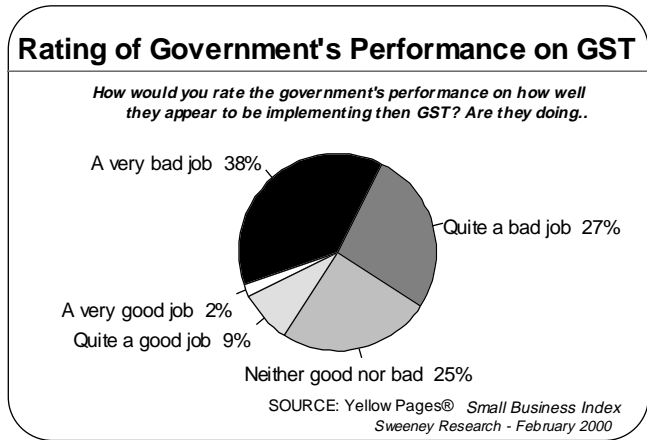
SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

### Attitudes Towards the GST - by Sector

	Manuf- -acturing	Building Construction	Wholesale Retail	Transport Storage	Business Services	Personal Services
<b>I'm in favour of the GST</b>						
Agree	55%	56%	52%	51%	53%	47%
Disagree	34%	35%	38%	46%	37%	44%
<b>Net Agree</b>	<b>21%</b>	<b>21%</b>	<b>14%</b>	<b>5%</b>	<b>16%</b>	<b>3%</b>
<b>I'm worried about the complexity involved in complying</b>						
Agree	67%	78%	68%	76%	77%	74%
Disagree	28%	17%	25%	24%	20%	24%
<b>Net Agree</b>	<b>39%</b>	<b>61%</b>	<b>43%</b>	<b>52%</b>	<b>57%</b>	<b>50%</b>
<b>I believe that the GST will have an adverse effect on my bottom line</b>						
Agree	49%	59%	53%	68%	52%	62%
Disagree	39%	30%	42%	20%	42%	30%
<b>Net Agree</b>	<b>10%</b>	<b>29%</b>	<b>11%</b>	<b>48%</b>	<b>10%</b>	<b>32%</b>

SOURCE: Yellow Pages® Small Business Index  
Sweeney Research - February 2000

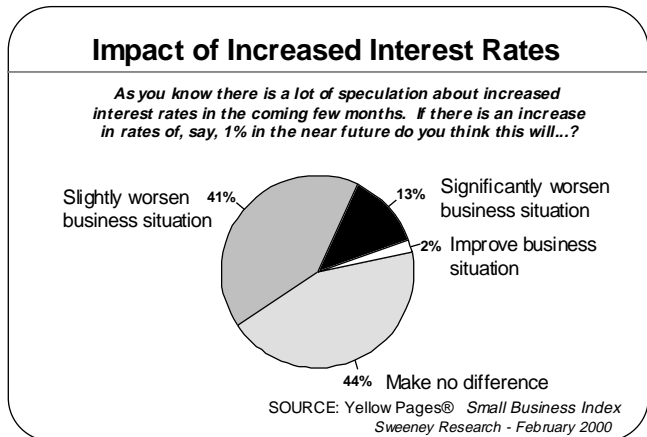
Almost two-thirds of small business proprietors (65 per cent) believe the Federal Government is doing a poor job in implementing the GST, with the majority of these believing the government to be doing a 'very bad job'. Only 11% believe the Government is doing a good job but rarely 'very good'.



## INTEREST RATES

Reflecting the likelihood of interest rate increases, small business proprietors were asked what impact would a one percentage point increase in rates would have on their business. Most small business proprietors reported that such an increase would worsen their business situation, but usually only slightly so.

Note that the majority of responses were received after 2 February 2000, when the Reserve Bank Governor announced that the Bank would be operating in the money market to increase cash rates by one-half of one per cent.



# Small Business Outlook - National

- Confidence at lowest level since May 1997 - driven by non-metro decline
- Strong growth in sales and profit, expectations steady
- Jobs growth stalled
- Price growth steady but expectations up sharply
- Approval of Federal policies down

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

SOURCE: Yellow Pages®  
Small Business Index

			<u>FEB 1999</u>	<u>MAY 1999</u>	<u>AUG 1999</u>	<u>NOV 1999</u>	<u>FEB 2000</u>	
			%	%	%	%	%	
CONFIDENCE IN OWN BUSINESS	POSITIVE		68	68	68	67	62	
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE		13	13	14	15	21	
	<b>NET BALANCE</b>		<b>+55</b>	<b>+55</b>	<b>+54</b>	<b>+52</b>	<b>+41</b>	
		<u>ACTUAL EXPERIENCE DURING:</u>						<u>EXPECTATIONS FOR:</u>
			<u>NOV-JAN</u>	<u>FEB-APR</u>	<u>MAY-JUL</u>	<u>AUG-OCT</u>	<u>NOV-JAN</u>	<u>FEB-APR</u>
			<u>98/99</u>	<u>1999</u>	<u>1999</u>	<u>1999</u>	<u>99/00</u>	<u>2000</u>
			%	%	%	%	%	%
SALES VALUE:	INCREASE		41	39	38	43	44	48
	DECREASE		21	26	27	25	25	10
	<b>NET BALANCE</b>		<b>+20</b>	<b>+13</b>	<b>+11</b>	<b>+18</b>	<b>+19</b>	<b>+38</b>
								<b>+30</b>
								<b>+45</b>
								<b>+36</b>
								<b>+34</b>
SIZE OF WORKFORCE:	INCREASE		12	15	14	14	9	13
	DECREASE		9	10	9	8	9	3
	<b>NET BALANCE</b>		<b>+3</b>	<b>+5</b>	<b>+5</b>	<b>+6</b>	<b>0</b>	<b>+10</b>
								<b>+10</b>
								<b>+10</b>
								<b>+10</b>
								<b>+11</b>
								<b>+11</b>
WAGES BILL:	INCREASE		24	23	21	24	24	23
	DECREASE		9	10	12	10	12	5
	<b>NET BALANCE</b>		<b>+15</b>	<b>+12</b>	<b>+9</b>	<b>+14</b>	<b>+12</b>	<b>+18</b>
								<b>+16</b>
								<b>+18</b>
								<b>+16</b>
								<b>+18</b>
								<b>+19</b>
								<b>+17</b>
PRICES:	INCREASE		19	17	16	21	20	24
	DECREASE		6	4	6	4	5	3
	<b>NET BALANCE</b>		<b>+13</b>	<b>+13</b>	<b>+10</b>	<b>+17</b>	<b>+15</b>	<b>+21</b>
								<b>+15</b>
								<b>+19</b>
								<b>+25</b>
								<b>+29</b>
PROFITABILITY:	INCREASE		37	35	34	36	36	46
	DECREASE		22	27	28	25	26	10
	<b>NET BALANCE</b>		<b>+15</b>	<b>+8</b>	<b>+6</b>	<b>+11</b>	<b>+10</b>	<b>+36</b>
								<b>+29</b>
								<b>+41</b>
								<b>+31</b>
								<b>+30</b>
CAPITAL EXPENDITURE:	INCREASE		21	22	26	25	26	25
	DECREASE		20	18	18	18	20	17
	<b>NET BALANCE</b>		<b>+1</b>	<b>+4</b>	<b>+8</b>	<b>+7</b>	<b>+6</b>	<b>+8</b>
								<b>+4</b>
								<b>+7</b>
								<b>+1</b>
								<b>+10</b>

\* 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 - NSW

- Confidence sharply down
- Strong growth in sales and profits, sales expected to accelerate
- Employment down but expected to recover

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

SOURCE: Yellow Pages®  
Small Business Index

			<u>FEB 1999</u>	<u>MAY 1999</u>	<u>AUG 1999</u>	<u>NOV 1999</u>	<u>FEB 2000</u>				
			%	%	%	%	%				
CONFIDENCE IN OWN BUSINESS	POSITIVE		64	69	68	70	66				
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE		18	13	15	13	20				
	<b>NET BALANCE</b>		<b>+46</b>	<b>+56</b>	<b>+53</b>	<b>+57</b>	<b>+46</b>				
		<u>ACTUAL EXPERIENCE DURING:</u>						<u>EXPECTATIONS FOR:</u>			
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	%
SALES VALUE:	INCREASE	38	43	35	46	47	47	43	56	42	49
	DECREASE	22	24	27	21	23	8	14	10	15	12
	<b>NET BALANCE</b>	<b>+16</b>	<b>+19</b>	<b>+8</b>	<b>+25</b>	<b>+24</b>	<b>+39</b>	<b>+29</b>	<b>+46</b>	<b>+27</b>	<b>+37</b>
SIZE OF WORKFORCE:	INCREASE	11	18	19	17	7	14	14	16	14	18
	DECREASE	12	8	6	10	10	4	1	5	5	3
	<b>NET BALANCE</b>	<b>-1</b>	<b>+10</b>	<b>+13</b>	<b>+7</b>	<b>-3</b>	<b>+10</b>	<b>+13</b>	<b>+11</b>	<b>+9</b>	<b>+15</b>
WAGES BILL:	INCREASE	27	23	20	25	25	23	23	23	24	27
	DECREASE	13	11	8	10	14	6	5	3	4	4
	<b>NET BALANCE</b>	<b>+14</b>	<b>+12</b>	<b>+12</b>	<b>+15</b>	<b>+11</b>	<b>+17</b>	<b>+18</b>	<b>+20</b>	<b>+21</b>	<b>+23</b>
PRICES:	INCREASE	22	18	15	23	22	24	18	21	29	32
	DECREASE	4	1	6	4	4	3	3	3	2	1
	<b>NET BALANCE</b>	<b>+18</b>	<b>+17</b>	<b>+9</b>	<b>+19</b>	<b>+18</b>	<b>+21</b>	<b>+15</b>	<b>+18</b>	<b>+27</b>	<b>+31</b>
PROFITABILITY:	INCREASE	35	36	33	38	41	48	45	53	41	42
	DECREASE	23	26	26	20	23	7	14	9	12	12
	<b>NET BALANCE</b>	<b>+12</b>	<b>+10</b>	<b>+7</b>	<b>+18</b>	<b>+18</b>	<b>+41</b>	<b>+31</b>	<b>+44</b>	<b>+29</b>	<b>+30</b>
CAPITAL EXPENDITURE:	INCREASE	20	22	28	30	28	23	24	24	20	29
	DECREASE	22	20	17	16	15	18	20	19	28	13
	<b>NET BALANCE</b>	<b>-2</b>	<b>+2</b>	<b>+11</b>	<b>+14</b>	<b>+13</b>	<b>+5</b>	<b>+4</b>	<b>+5</b>	<b>-8</b>	<b>+16</b>

\* 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 - Victoria

- Confidence up slightly - above national average
- Employment growth stalled
- Sales and profit growth rebound but expectations down

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	70	69	68	63	65					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	10	10	14	18	17					
	<b>NET BALANCE</b>	<b>+60</b>	<b>+59</b>	<b>+54</b>	<b>+45</b>	<b>+48</b>					
		<b>ACTUAL EXPERIENCE DURING:</b>					<b>EXPECTATIONS FOR:</b>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	42	39	45	36	44	48	40	50	53	46
	DECREASE	21	27	21	29	24	14	11	9	13	15
	<b>NET BALANCE</b>	<b>+21</b>	<b>+12</b>	<b>+24</b>	<b>+7</b>	<b>+20</b>	<b>+34</b>	<b>+29</b>	<b>+41</b>	<b>+40</b>	<b>+31</b>
SIZE OF WORKFORCE:	INCREASE	11	14	10	10	8	14	13	10	16	14
	DECREASE	8	10	7	7	8	2	4	3	2	3
	<b>NET BALANCE</b>	<b>+3</b>	<b>+4</b>	<b>+3</b>	<b>+3</b>	<b>0</b>	<b>+12</b>	<b>+9</b>	<b>+7</b>	<b>+14</b>	<b>+11</b>
WAGES BILL:	INCREASE	27	23	26	24	21	22	23	19	26	26
	DECREASE	7	9	9	9	9	4	6	6	5	7
	<b>NET BALANCE</b>	<b>+20</b>	<b>+14</b>	<b>+17</b>	<b>+15</b>	<b>+12</b>	<b>+18</b>	<b>+17</b>	<b>+13</b>	<b>+21</b>	<b>+19</b>
PRICES:	INCREASE	15	15	15	16	14	22	16	20	25	28
	DECREASE	6	3	3	7	8	2	3	1	3	1
	<b>NET BALANCE</b>	<b>+9</b>	<b>+12</b>	<b>+12</b>	<b>+9</b>	<b>+6</b>	<b>+20</b>	<b>+13</b>	<b>+19</b>	<b>+22</b>	<b>+27</b>
PROFITABILITY:	INCREASE	40	36	39	34	35	44	41	48	47	42
	DECREASE	21	28	24	28	24	14	12	10	14	13
	<b>NET BALANCE</b>	<b>+19</b>	<b>+8</b>	<b>+15</b>	<b>+6</b>	<b>+11</b>	<b>+30</b>	<b>+29</b>	<b>+38</b>	<b>+33</b>	<b>+29</b>
CAPITAL EXPENDITURE:	INCREASE	24	23	26	26	27	26	27	28	26	30
	DECREASE	20	12	19	18	20	20	17	16	21	21
	<b>NET BALANCE</b>	<b>+4</b>	<b>+11</b>	<b>+7</b>	<b>+8</b>	<b>+7</b>	<b>+6</b>	<b>+10</b>	<b>+12</b>	<b>+5</b>	<b>+9</b>

\* 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

- Confidence collapsed to record lows
- Sales growth continues but profit growth eased
- Continued strong price increases with more in current quarter
- Jobs numbers fall and not expected to recover in current quarter

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	70	63	65	61	51					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	10	19	14	18	29					
	<b>NET BALANCE</b>	<b>+60</b>	<b>+44</b>	<b>+51</b>	<b>+43</b>	<b>+22</b>					
		<u>ACTUAL EXPERIENCE DURING:</u>					<u>EXPECTATIONS FOR:</u>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	45	34	36	43	44	48	46	60	48	46
	DECREASE	18	33	33	23	26	9	9	6	8	12
	<b>NET BALANCE</b>	<b>+27</b>	<b>+1</b>	<b>+3</b>	<b>+20</b>	<b>+18</b>	<b>+39</b>	<b>+37</b>	<b>+54</b>	<b>+40</b>	<b>+34</b>
SIZE OF WORKFORCE:	INCREASE	15	11	15	14	8	12	14	15	15	11
	DECREASE	5	13	9	10	11	2	7	3	4	3
	<b>NET BALANCE</b>	<b>+10</b>	<b>-2</b>	<b>+6</b>	<b>+4</b>	<b>-3</b>	<b>+10</b>	<b>+7</b>	<b>+12</b>	<b>+11</b>	<b>+8</b>
WAGES BILL:	INCREASE	23	22	20	25	30	28	23	27	25	17
	DECREASE	4	11	20	13	12	4	8	5	5	10
	<b>NET BALANCE</b>	<b>+19</b>	<b>+11</b>	<b>0</b>	<b>+12</b>	<b>+18</b>	<b>+24</b>	<b>+15</b>	<b>+22</b>	<b>+20</b>	<b>+7</b>
PRICES:	INCREASE	17	18	14	22	23	24	18	24	28	33
	DECREASE	8	6	10	3	6	1	2	1	2	2
	<b>NET BALANCE</b>	<b>+9</b>	<b>+12</b>	<b>+4</b>	<b>+19</b>	<b>+17</b>	<b>+23</b>	<b>+16</b>	<b>+23</b>	<b>+26</b>	<b>+31</b>
PROFITABILITY:	INCREASE	38	30	28	35	34	47	43	55	42	39
	DECREASE	19	31	31	26	30	10	10	6	12	14
	<b>NET BALANCE</b>	<b>+19</b>	<b>-1</b>	<b>-3</b>	<b>+9</b>	<b>+4</b>	<b>+37</b>	<b>+33</b>	<b>+49</b>	<b>+30</b>	<b>+25</b>
CAPITAL EXPENDITURE:	INCREASE	20	20	28	22	23	27	22	28	22	30
	DECREASE	20	22	15	19	24	14	22	18	18	19
	<b>NET BALANCE</b>	<b>0</b>	<b>-2</b>	<b>+13</b>	<b>+3</b>	<b>-1</b>	<b>+13</b>	<b>0</b>	<b>+10</b>	<b>+4</b>	<b>+11</b>

\* 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 - SA

- Confidence down sharply
- Continued strong sales and profit growth, expected to slow
- Strong employment growth

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	69	72	77	75	70					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	7	13	6	12	15					
	<b>NET BALANCE</b>	<b>+62</b>	<b>+59</b>	<b>+71</b>	<b>+63</b>	<b>+55</b>					
		<u>ACTUAL EXPERIENCE DURING:</u>					<u>EXPECTATIONS FOR:</u>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	45	45	43	49	45	43	39	53	53	47
	DECREASE	18	17	23	21	22	9	16	3	4	16
	<b>NET BALANCE</b>	<b>+27</b>	<b>+28</b>	<b>+20</b>	<b>+28</b>	<b>+23</b>	<b>+34</b>	<b>+24</b>	<b>+50</b>	<b>+49</b>	<b>+31</b>
SIZE OF WORKFORCE:	INCREASE	14	16	12	11	9	15	10	11	14	7
	DECREASE	5	7	8	5	4	3	1	2	3	2
	<b>NET BALANCE</b>	<b>+9</b>	<b>+9</b>	<b>+4</b>	<b>+6</b>	<b>+5</b>	<b>+12</b>	<b>+9</b>	<b>+9</b>	<b>+11</b>	<b>+5</b>
WAGES BILL:	INCREASE	14	23	28	23	22	25	25	24	23	17
	DECREASE	11	9	8	8	14	5	9	3	3	3
	<b>NET BALANCE</b>	<b>+3</b>	<b>+14</b>	<b>+20</b>	<b>+15</b>	<b>+8</b>	<b>+20</b>	<b>+16</b>	<b>+21</b>	<b>+20</b>	<b>+14</b>
PRICES:	INCREASE	24	16	22	19	15	31	24	18	26	30
	DECREASE	5	9	4	3	2	5	7	2	2	3
	<b>NET BALANCE</b>	<b>+19</b>	<b>+7</b>	<b>+18</b>	<b>+16</b>	<b>+13</b>	<b>+26</b>	<b>+17</b>	<b>+16</b>	<b>+24</b>	<b>+27</b>
PROFITABILITY:	INCREASE	39	39	40	36	38	40	36	53	50	42
	DECREASE	20	19	28	27	23	9	15	4	5	12
	<b>NET BALANCE</b>	<b>+19</b>	<b>+20</b>	<b>+12</b>	<b>+9</b>	<b>+15</b>	<b>+31</b>	<b>+21</b>	<b>+49</b>	<b>+45</b>	<b>+30</b>
CAPITAL EXPENDITURE:	INCREASE	20	21	21	20	24	21	30	25	22	29
	DECREASE	19	19	20	22	24	19	16	13	14	28
	<b>NET BALANCE</b>	<b>+1</b>	<b>+2</b>	<b>+1</b>	<b>-2</b>	<b>0</b>	<b>+2</b>	<b>+14</b>	<b>+12</b>	<b>+8</b>	<b>+1</b>

\* 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 - WA

- Confidence fell sharply
- Sales and profits lower
- Continued jobs growth
- Third quarter of lower capital expenditure

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	75	75	65	67	60					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	9	13	18	11	18					
	<b>NET BALANCE</b>	<b>+66</b>	<b>+62</b>	<b>+47</b>	<b>+56</b>	<b>+42</b>					
		<b>ACTUAL EXPERIENCE DURING:</b>					<b>EXPECTATIONS FOR:</b>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	44	35	34	40	33	49	40	47	49	46
	DECREASE	29	24	31	30	34	11	14	15	10	10
	<b>NET BALANCE</b>	<b>+15</b>	<b>+11</b>	<b>+3</b>	<b>+10</b>	<b>-1</b>	<b>+38</b>	<b>+26</b>	<b>+32</b>	<b>+39</b>	<b>+36</b>
SIZE OF WORKFORCE:	INCREASE	13	15	10	12	10	10	13	17	15	9
	DECREASE	11	15	19	4	5	4	6	6	4	7
	<b>NET BALANCE</b>	<b>+2</b>	<b>0</b>	<b>-9</b>	<b>+8</b>	<b>+5</b>	<b>+6</b>	<b>+7</b>	<b>+11</b>	<b>+11</b>	<b>+2</b>
WAGES BILL:	INCREASE	17	26	15	17	18	21	19	24	20	16
	DECREASE	9	8	19	9	11	6	7	7	5	11
	<b>NET BALANCE</b>	<b>+8</b>	<b>+18</b>	<b>-4</b>	<b>+8</b>	<b>+7</b>	<b>+15</b>	<b>+12</b>	<b>+17</b>	<b>+15</b>	<b>+5</b>
PRICES:	INCREASE	20	18	19	22	22	24	21	20	28	33
	DECREASE	7	6	9	3	1	3	2	8	0	1
	<b>NET BALANCE</b>	<b>+13</b>	<b>+12</b>	<b>+10</b>	<b>+19</b>	<b>+21</b>	<b>+21</b>	<b>+19</b>	<b>+12</b>	<b>+28</b>	<b>+32</b>
PROFITABILITY:	INCREASE	33	30	25	35	23	45	37	40	40	46
	DECREASE	25	23	33	32	35	9	14	16	10	8
	<b>NET BALANCE</b>	<b>+8</b>	<b>+7</b>	<b>-8</b>	<b>+3</b>	<b>-12</b>	<b>+36</b>	<b>+23</b>	<b>+24</b>	<b>+30</b>	<b>+38</b>
CAPITAL EXPENDITURE:	INCREASE	19	27	20	17	24	22	15	21	27	27
	DECREASE	17	15	24	21	30	16	23	20	18	22
	<b>NET BALANCE</b>	<b>+2</b>	<b>+12</b>	<b>-4</b>	<b>-4</b>	<b>-6</b>	<b>+6</b>	<b>-8</b>	<b>+1</b>	<b>+9</b>	<b>+5</b>

\* 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 - Tasmania

- Confidence fell
- Sales growth stronger, but expected to ease
- Job numbers fell

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	51	59	54	62	57					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	11	19	24	19	22					
	<b>NET BALANCE</b>	<b>+40</b>	<b>+40</b>	<b>+30</b>	<b>+43</b>	<b>+35</b>					
		<u>ACTUAL EXPERIENCE DURING:</u>					<u>EXPECTATIONS FOR:</u>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	37	41	28	39	41	38	28	40	51	41
	DECREASE	20	32	37	29	27	7	18	2	7	18
	<b>NET BALANCE</b>	<b>+17</b>	<b>+9</b>	<b>-9</b>	<b>+10</b>	<b>+14</b>	<b>+31</b>	<b>+10</b>	<b>+38</b>	<b>+44</b>	<b>+23</b>
SIZE OF WORKFORCE:	INCREASE	10	8	4	15	14	4	10	14	12	12
	DECREASE	12	12	12	8	15	2	3	1	4	5
	<b>NET BALANCE</b>	<b>-2</b>	<b>-4</b>	<b>-8</b>	<b>+7</b>	<b>-1</b>	<b>+2</b>	<b>+7</b>	<b>+13</b>	<b>+8</b>	<b>+7</b>
WAGES BILL:	INCREASE	15	20	15	26	22	9	18	26	28	20
	DECREASE	8	9	20	11	14	5	10	3	5	7
	<b>NET BALANCE</b>	<b>+7</b>	<b>+11</b>	<b>-5</b>	<b>+15</b>	<b>+8</b>	<b>+4</b>	<b>+8</b>	<b>+23</b>	<b>+23</b>	<b>+13</b>
PRICES:	INCREASE	18	18	12	17	21	14	11	14	24	19
	DECREASE	11	6	5	6	6	4	8	2	2	5
	<b>NET BALANCE</b>	<b>+7</b>	<b>+12</b>	<b>+7</b>	<b>+11</b>	<b>+15</b>	<b>+10</b>	<b>+3</b>	<b>+12</b>	<b>+22</b>	<b>+14</b>
PROFITABILITY:	INCREASE	31	37	25	34	40	35	25	41	44	40
	DECREASE	21	28	39	30	36	7	20	5	8	18
	<b>NET BALANCE</b>	<b>+10</b>	<b>+9</b>	<b>-14</b>	<b>+4</b>	<b>+4</b>	<b>+28</b>	<b>+5</b>	<b>+36</b>	<b>+36</b>	<b>+22</b>
CAPITAL EXPENDITURE:	INCREASE	15	21	20	22	25	20	16	20	15	16
	DECREASE	22	21	16	23	27	20	21	17	18	27
	<b>NET BALANCE</b>	<b>-7</b>	<b>0</b>	<b>+4</b>	<b>-1</b>	<b>-2</b>	<b>0</b>	<b>-5</b>	<b>+3</b>	<b>-3</b>	<b>-11</b>

\* 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 - NT

- Confidence down sharply
- Sales and profit growth slower but expected to rebound strongly
- Employment growth slower but still strong, expected to recover strongly

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	82	64	67	71	67					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	8	9	18	12	18					
	<b>NET BALANCE</b>	<b>+74</b>	<b>+55</b>	<b>+49</b>	<b>+59</b>	<b>+49</b>					
		<b>ACTUAL EXPERIENCE DURING:</b>					<b>EXPECTATIONS FOR:</b>				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	30	38	35	55	39	75	61	52	40	57
	DECREASE	33	40	29	23	26	2	6	12	28	7
	<b>NET BALANCE</b>	<b>-3</b>	<b>-2</b>	<b>+6</b>	<b>+32</b>	<b>+13</b>	<b>+73</b>	<b>+55</b>	<b>+40</b>	<b>+12</b>	<b>+50</b>
SIZE OF WORKFORCE:	INCREASE	11	20	11	12	12	32	19	14	14	23
	DECREASE	14	13	17	16	23	2	4	7	11	5
	<b>NET BALANCE</b>	<b>-3</b>	<b>+7</b>	<b>-6</b>	<b>-4</b>	<b>-11</b>	<b>+30</b>	<b>+15</b>	<b>+7</b>	<b>+3</b>	<b>+18</b>
WAGES BILL:	INCREASE	15	19	19	36	24	38	30	20	22	30
	DECREASE	16	16	19	13	15	3	5	11	17	8
	<b>NET BALANCE</b>	<b>-1</b>	<b>+3</b>	<b>0</b>	<b>+23</b>	<b>+9</b>	<b>+35</b>	<b>+25</b>	<b>+9</b>	<b>+5</b>	<b>+22</b>
PRICES :	INCREASE	20	16	12	20	14	22	16	16	15	31
	DECREASE	6	5	8	8	2	0	2	5	6	3
	<b>NET BALANCE</b>	<b>+14</b>	<b>+11</b>	<b>+4</b>	<b>+12</b>	<b>+12</b>	<b>+22</b>	<b>+14</b>	<b>+11</b>	<b>+9</b>	<b>+28</b>
PROFITABILITY:	INCREASE	24	37	35	46	30	66	58	49	41	55
	DECREASE	24	31	29	21	27	3	8	10	28	7
	<b>NET BALANCE</b>	<b>0</b>	<b>+6</b>	<b>+6</b>	<b>+25</b>	<b>+3</b>	<b>+63</b>	<b>+50</b>	<b>+39</b>	<b>+13</b>	<b>+48</b>
CAPITAL EXPENDITURE:	INCREASE	21	26	22	31	27	31	29	32	18	40
	DECREASE	24	20	27	22	27	19	14	29	33	17
	<b>NET BALANCE</b>	<b>-3</b>	<b>+6</b>	<b>-5</b>	<b>+9</b>	<b>0</b>	<b>+12</b>	<b>+15</b>	<b>+3</b>	<b>-15</b>	<b>+23</b>

\* 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 - ACT

- Confidence down
- Sales growth up substantially
- Continued very strong profit growth
- Employment up, expected to continue

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

SOURCE: Yellow Pages®  
Small Business Index

		FEB 1999	MAY 1999	AUG 1999	NOV 1999	FEB 2000					
		%	%	%	%	%					
CONFIDENCE IN OWN BUSINESS	POSITIVE	76	70	72	74	69					
PROSPECTS IN NEXT 12 MONTHS	NEGATIVE	10	10	7	11	15					
	<b>NET BALANCE</b>	<b>+66</b>	<b>+60</b>	<b>+65</b>	<b>+63</b>	<b>+54</b>					
		ACTUAL EXPERIENCE DURING:					EXPECTATIONS FOR:				
		NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1998	NOV-JAN 98/99	FEB-APR 1999	MAY-JUL 1999	AUG-OCT 1999	NOV-JAN 99/00	FEB-APR 2000
		%	%	%	%	%	%	%	%	%	
SALES VALUE:	INCREASE	50	48	56	50	53	50	46	51	51	51
	DECREASE	14	15	16	23	7	13	11	10	10	9
	<b>NET BALANCE</b>	<b>+36</b>	<b>+33</b>	<b>+40</b>	<b>+27</b>	<b>+46</b>	<b>+37</b>	<b>+35</b>	<b>+41</b>	<b>+41</b>	<b>+42</b>
SIZE OF WORKFORCE:	INCREASE	7	17	17	7	13	13	14	14	16	17
	DECREASE	8	10	8	7	10	5	8	6	2	4
	<b>NET BALANCE</b>	<b>-1</b>	<b>+7</b>	<b>+9</b>	<b>0</b>	<b>+3</b>	<b>+8</b>	<b>+6</b>	<b>+8</b>	<b>+14</b>	<b>+13</b>
WAGES BILL:	INCREASE	18	19	23	27	25	22	24	19	22	30
	DECREASE	11	12	3	8	10	6	9	6	3	5
	<b>NET BALANCE</b>	<b>+7</b>	<b>+7</b>	<b>+20</b>	<b>+19</b>	<b>+15</b>	<b>+16</b>	<b>+15</b>	<b>+13</b>	<b>+19</b>	<b>+25</b>
PRICES:	INCREASE	13	19	21	15	22	19	19	25	19	28
	DECREASE	7	7	5	3	2	1	0	1	2	5
	<b>NET BALANCE</b>	<b>+6</b>	<b>+12</b>	<b>+16</b>	<b>+12</b>	<b>+20</b>	<b>+18</b>	<b>+19</b>	<b>+24</b>	<b>+17</b>	<b>+23</b>
PROFITABILITY:	INCREASE	49	46	47	45	46	45	37	47	51	47
	DECREASE	11	13	18	17	14	11	11	8	8	11
	<b>NET BALANCE</b>	<b>+38</b>	<b>+33</b>	<b>+29</b>	<b>+28</b>	<b>+32</b>	<b>+34</b>	<b>+26</b>	<b>+39</b>	<b>+43</b>	<b>+36</b>
CAPITAL EXPENDITURE:	INCREASE	17	21	27	23	30	30	22	26	13	18
	DECREASE	23	19	13	27	27	9	16	18	33	33
	<b>NET BALANCE</b>	<b>-6</b>	<b>+2</b>	<b>+14</b>	<b>-4</b>	<b>+3</b>	<b>+2</b>	<b>+6</b>	<b>+8</b>	<b>-20</b>	<b>-15</b>

\* 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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Pacific Access Pty Ltd was established in Melbourne, Australia in 1991.

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