

# Business Now

The South Australian Business Chamber  
Survey of Business Expectations

2025 // March Quarter



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# The Economy

## Business Confidence

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### South Australian Confidence Index March Quarter 2025

80 points

Down 13.9 points from last quarter

### National Confidence Index March Quarter 2025

71.1 points

Down 13.2 points from last quarter

*South Australian Business Confidence* fell 13.9 points in the March quarter of 2025 to 80 points. This quarter saw the biggest decline in confidence and the lowest score since June 2023. Just 13.7% of respondents believe that the SA economy will be either stronger, or somewhat stronger in the next 12 months. 80 points is also 11.1 points lower than was recorded in March 2024.

*National Business Confidence* also fell in the March quarter, by 13.2 points to 71.1. This is the lowest score and the largest decline since June 2023. 41.2% of respondents felt the national economy will perform somewhat weaker in the next three months, and a further 28.5% believe it will be weaker. Only 1.4% felt the national economy would be stronger.

Respondents are consistently more bullish about the South Australian economy than the national one. In each survey since June 2022 *SA Business Confidence* has been higher than *National Business Confidence* by an average of 7.6 points.

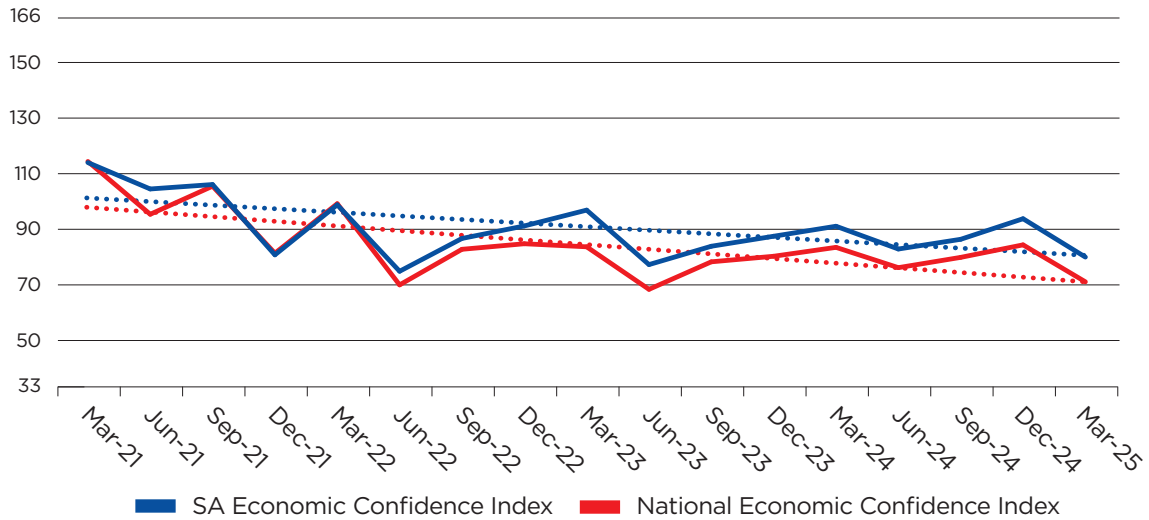
Survey responses were collected between late March to mid-April and cover the first quarter of 2025. It is noted that this survey was conducted during a period of high volatility and uncertainty in global politics with many announcements from the new US administration, including tariffs, which may have impacted responses.

It also followed the delivery of a Federal Budget that lacked any stimulus for business.

Our confidence indices measure how South Australian businesses expect the state and national economies to perform over the next 12 months. Now in its 45th year, this survey is the longest running in the state.

For all indices, a score of 100 is neutral, with 33 the lowest and 166 the highest.

Chart 1  
SA & National Economic Confidence Indices



## General Business Conditions

### General Business Conditions Index March Quarter 2025

77.2 points

Down 12.1 points from last quarter

*General Business Conditions* declined by 12.1 points to 77.2. This index has dropped in five of the last six quarters. 77.2 points is the lowest that businesses have deemed conditions to be since the June quarter of 2020, in the depth of the COVID pandemic.

*Total Sales/Revenue* declined a substantial 12.4 points in the quarter, now at 80.8 points and well below neutral. More than half of

### Total Sales/Revenue Index March Quarter 2025

80.8 points

Down 12.4 points from last quarter

businesses reported their sales declining in the first quarter of the year. This index has declined in seven of the last nine quarters and its current score is 7.4 points lower than was recorded 12 months ago.

In recent years, predicted business conditions and revenue have been consistently higher than actual results, with the following quarter scoring below the forecast.

Chart 2  
General Business Conditions Index

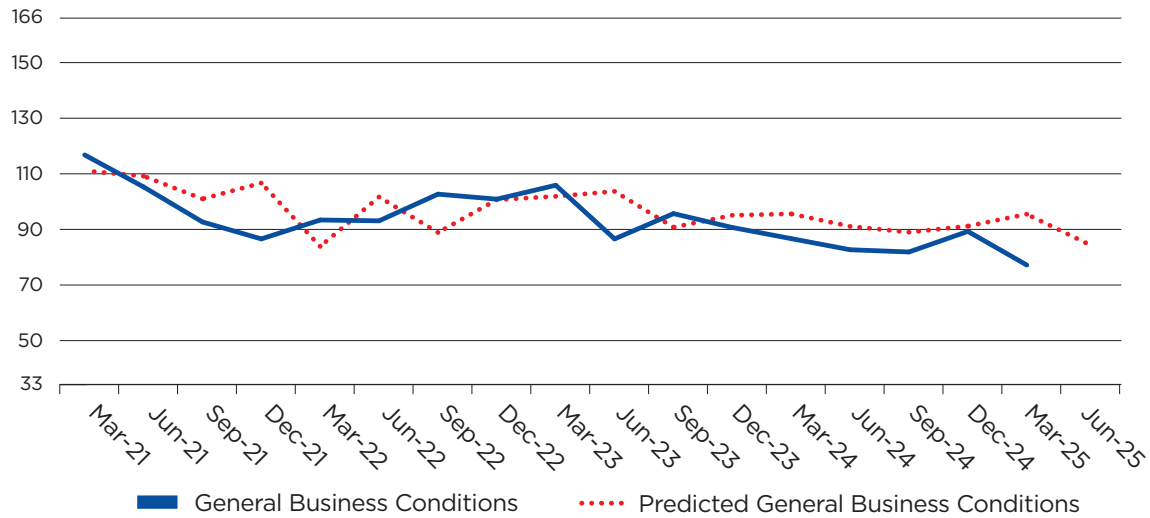
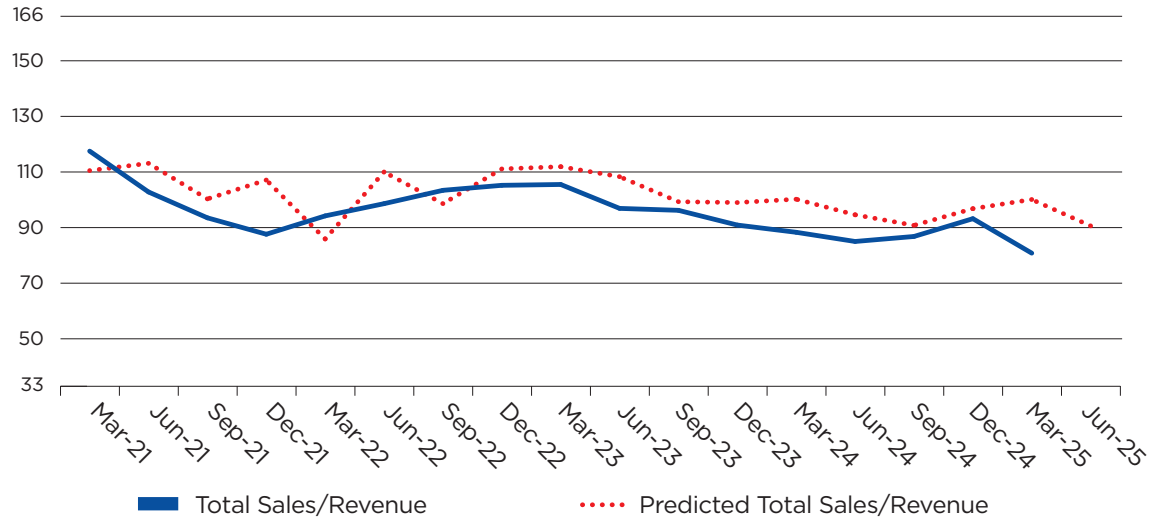


Chart 3  
Total Sales/Revenue Index



**Predicted General Business  
Conditions Index for  
June Quarter 2025**

85.2 points

**Predicted Total Sales/Revenue  
Index for June Quarter 2025**

90.6 points

## Economic Indicators

How do you expect the following indicators to change in the next three months?

	Decrease	Stay the Same	Increase
Interest Rates	50.4%	42.9%	6.7%
Inflation Rate (CPI)	19.6%	42.7%	37.7%
Unemployment Rate	5.7%	53%	41.3%
Value of \$AUD (against \$USD)	70%	20.4%	9.6%

Following the February interest rate cut – the first in more than four years – 50.4% of respondents predict further cuts in the forthcoming quarter.

42.7% of those surveyed feel inflation will remain stagnant in the next three months. Interestingly, given its downward trajectory in the last couple of years, 37.7% of respondents predict inflation to increase in the June quarter. This likely reflects concerns about the impact of US tariffs, with many respondents anticipating a short-term increase in inflation as a result.

53% of respondents predict unemployment to stay the same in the June quarter, with 41.3% expecting it to rise, which it did by 0.2 percentage points in South Australia in March.<sup>1</sup> The *Employment Levels Index*

(Performance Indicators section) declined by 13.7 points in this survey, with only 9.9% of businesses increasing employment levels in the March quarter.

More than two thirds (70%) of respondents feel the Australian Dollar will decline in value in the June quarter, with 20.4% of respondents predicting it will remain the same. This is likely due to US tariff impacts as demand for Australian goods may be disrupted if trade flows decline. The temporary reprieve in US tariffs announced in mid-April, plus the sheer weight and volatility of changes in the global economy are currently generating massive uncertainty for businesses both at home and abroad.<sup>2</sup>

<sup>1</sup> Australian Bureau of Statistics, Labour Force, Australia, 17 April 2025, <<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/mar-2025>>

<sup>2</sup> Federal Reserve Bank of St. Louis, Economic Policy Uncertainty Index for United States, Scott Baker, Nick Bloom & Stephen Davis, 11 April 2025, <<https://fred.stlouisfed.org/series/USEPUINDXD>>

# Business Demographics

Chart 4  
How Many People Does Your Business Employ? (%)

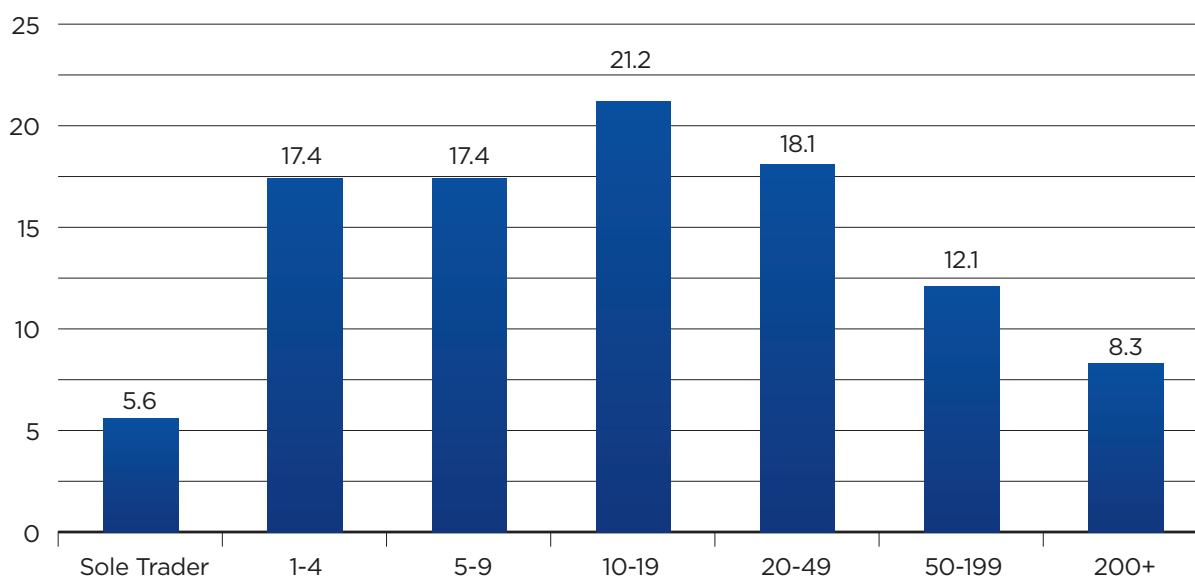
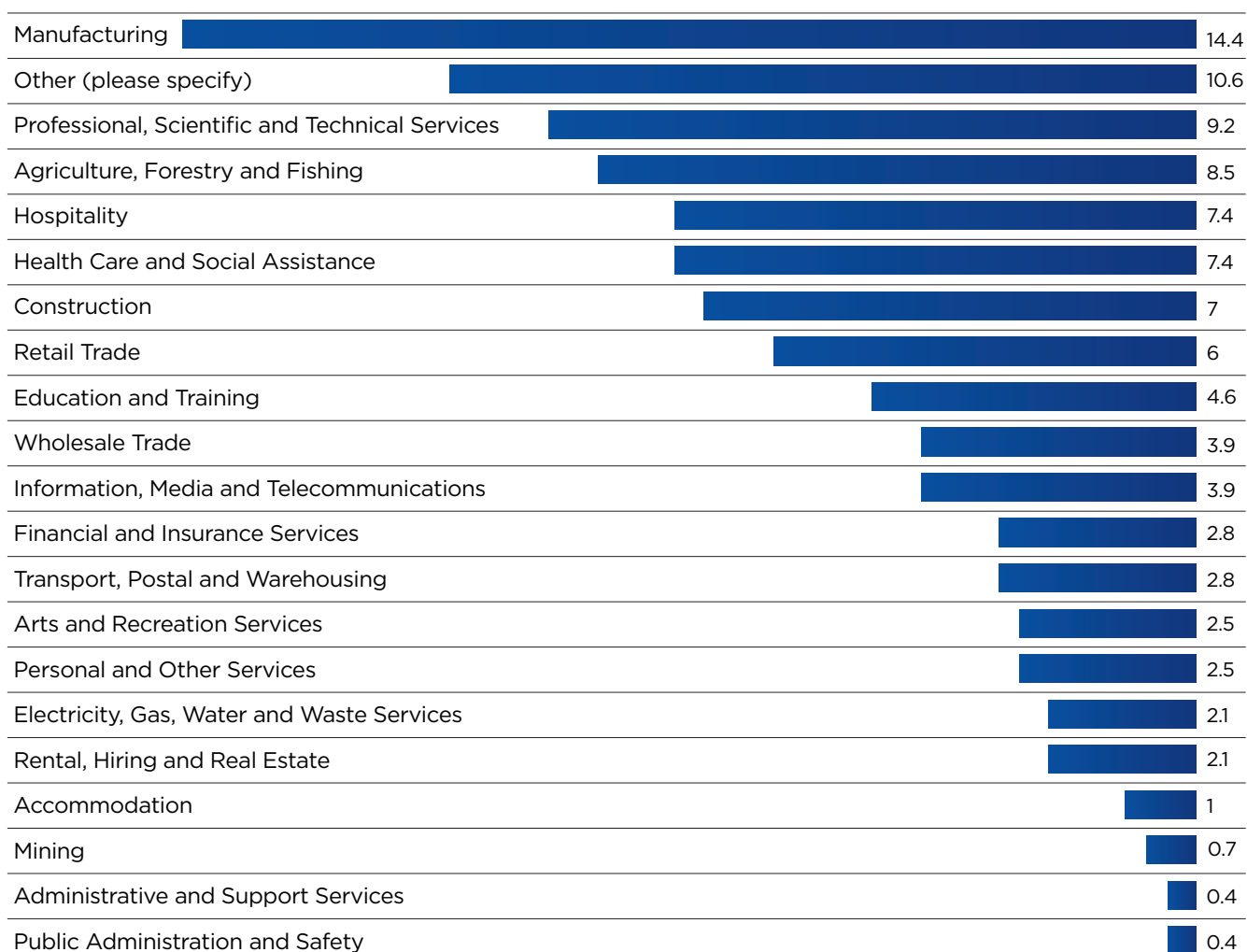


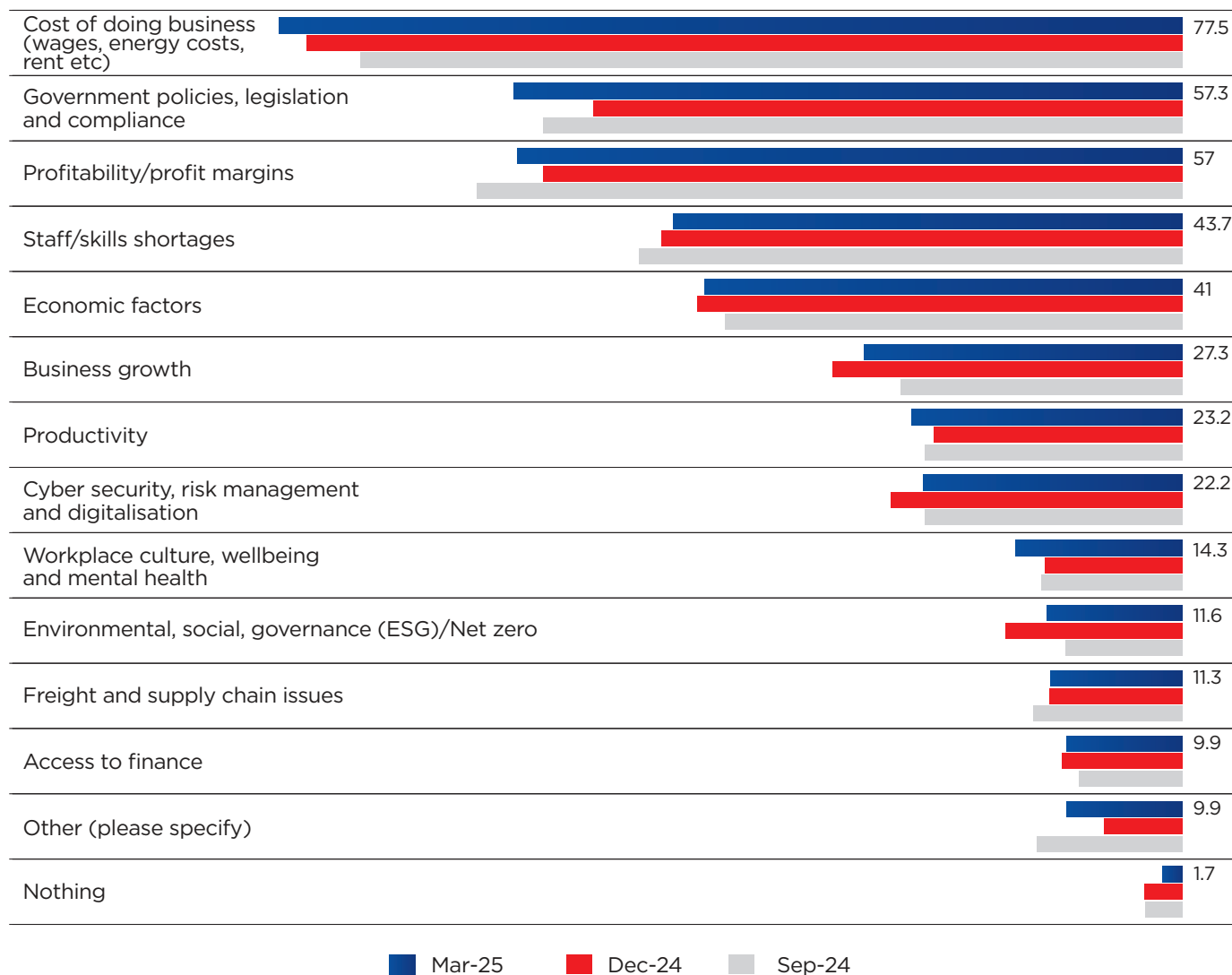
Chart 5  
Industry Composition (%)





# Issues Affecting Businesses

Chart 6  
Main Issues Affecting My Business (%)



*\*respondents were asked to choose their top five*

The *cost of doing business* continues to be the major concern for South Australian business operators. In fact, 77.5% of respondents listed it among their top five issues— the highest percentage recorded since we began asking this question. This concern is even higher among certain size businesses and individual sectors. Among those with 5–49 employees, 82.8% identified business costs as one of their top five challenges. In Manufacturing it scored 87.8% and in Hospitality 95.2% of businesses ranking it among their top five concerns.

The second most frequently selected issue was *government policies, legislation and compliance*, with 57.3% of SA businesses surveyed viewing this as one of the top five issues. This issue has steadily progressed up the ladder from fourth place to second over the past two years as federal IR changes have taken hold.

Frustration with government policies, legislation and compliance is concentrated among large businesses, with 79.2% of those employing 200+ people voting it among their top five issues, equal first with costs. Of those employing between 50 and 199 people, 71.4% selected government policies. Many of these larger businesses commented on climate reporting, changes to employment law, and energy policy as making running a business more challenging. Since the ‘Closing the Loopholes’ federal legislation was passed in December 2023, more than 50% of respondents in each survey have cited government policies, legislation and compliance a concern.

57% of respondents told us *profitability* is among their top five issues, making it the third most pressing issue facing SA businesses. Our index tracking business profitability dropped in this edition by 15.5 points to just 70.1 points, its lowest score since the March quarter of 2020.

*Staff/skills shortages* remain a prominent concern, capturing 43.7% of businesses, though these have slowly declined in prominence in recent quarters. This issue is also concentrated among larger businesses.

*Business growth* is a top five issue for 27.3% of businesses, and a concern more pronounced in smaller businesses.

Interestingly, 52.9% of retail businesses voted growth a concern and mentioned the lack of spending from customers as interest rates have risen as a major barrier.

While only 23.2% of businesses reported *productivity* as high on their list of concerns, it was mentioned frequently in comments from respondents as being impeded by other issues. Many businesses mentioned the continued encroachment of business costs and compliance time was preventing them from implementing processes to improve their productivity.

*Workplace culture, wellbeing and mental health* increased in prominence by 2.9 percentage points this quarter and was a concern for 14.3% of businesses. This is more commonly a concern facing larger businesses. 23.7% of survey respondents employing 50 or more people voted culture among their top five.

### Comments on the issues affecting business...

*I am outlining a few difficulties faced by the wider food production industry in South Australia. Logistical costs, rising wage obligations, coupled with current payroll tax structures, energy costs and newly introduced regulations have placed additional strain on businesses. As a result, we're not planning any expansion opportunities. While we remain steadfast in our commitment to quality and sustainability, these cumulative challenges hinder our ability to contribute further to South Australia's economy and food production goals.*

» **Agriculture, Forestry and Fishing,  
20-49 employees**

*Every year it gets harder to do business, make the same profit as the year before and get ahead. Eroding margins, static sales, compliance and soon ESG reporting are all stresses that have increased over the last few years.*

» **Manufacturing, 200+ employees**

*When a visa is required due to the absence of a specific skill in the local market, the process is both costly and time-intensive. ...immigration authorities sometimes request documentation that is tangential or unnecessary, adding complexity without advancing the application in a meaningful way. When one works in an industry that has major peaks and troughs this makes planning extremely difficult.*

» **Other, 50-199 employees**

*Even though we have reduced energy usage the cost of our bills have increased. Cyber security requirements are appearing in the supply chains with significant costs for SME to comply. The ridiculous amount of changes to employment requirements is a constant frustration.*

» **Manufacturing, 5-9 employees**

*Housing supply and affordability for younger working people are a drain on potential demand for goods and services.*

» **Arts and Recreation Services, 50-199 employees**

*We operate small manufacturing close to the city. Our staff have very long travel times, with little or no sensible public transport or easy parking. We have already lost a few to work nearer to where they can afford to live.*

» **Manufacturing, 20-49 employees**

*In the health sector our staff require Police Checks, Working with Children Checks, NDIS Clearance checks, all at a cost to us for each one. Then on top of that all the documentation we need to provide to each aged care and NDIS service provider is getting out of control. There should be one simple accreditation, but instead every small business like ours is wasting so much time with red tape to operate.*

» **Health Care and Social Assistance, 20-49 employees**

*Pricing at odds with complex compliance obligations in the NDIS and the general cost of doing business in the NDIS is making the disability sector unviable and risks market failure.*

» **Health Care and Social Assistance, 200+ employees**

Chart 7  
**% of Businesses Reporting Cost of Materials Increasing**

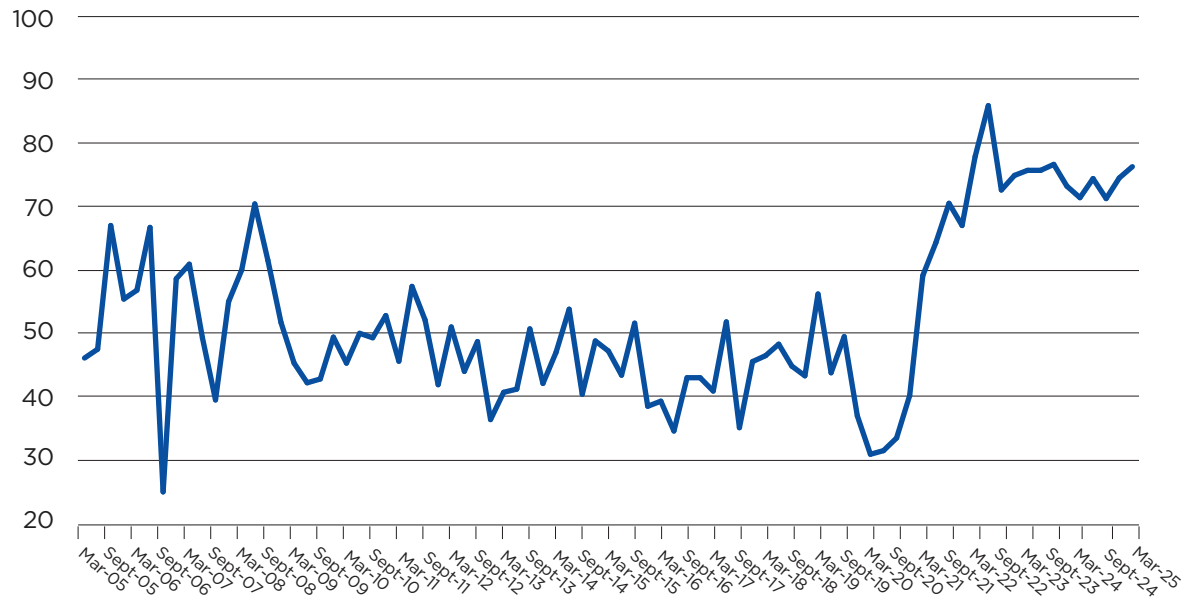
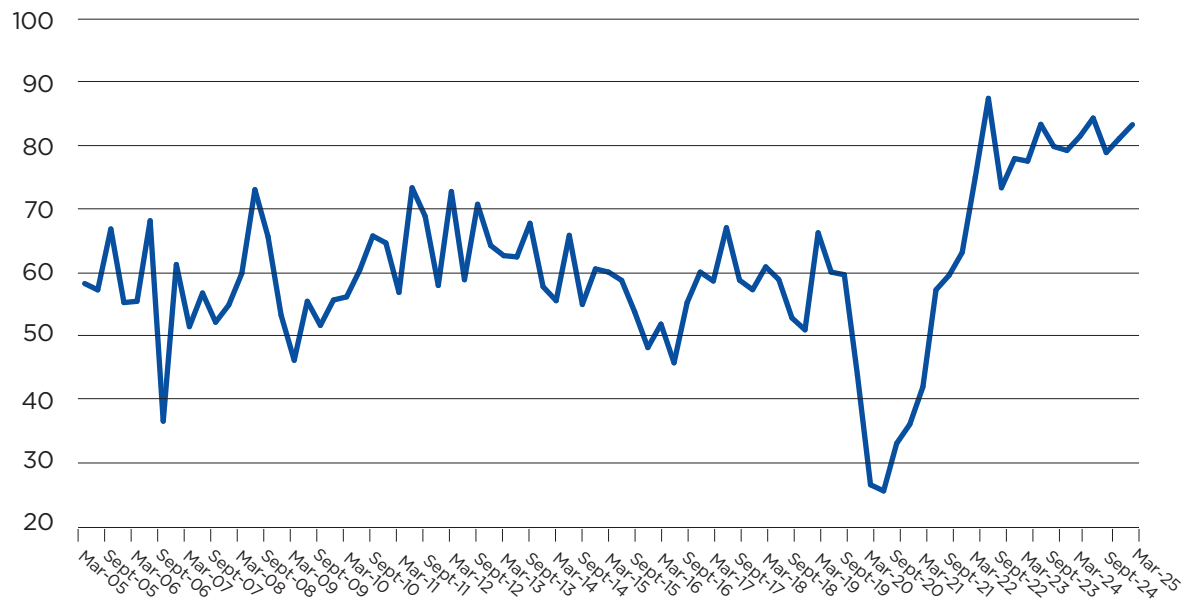
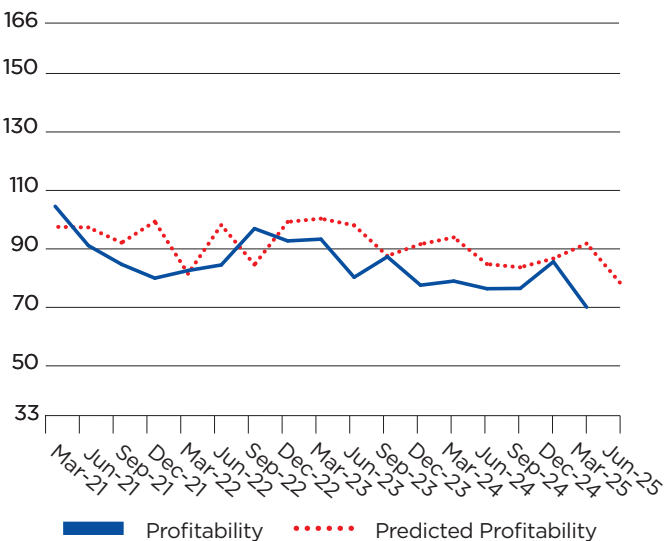


Chart 8  
**% of Businesses Reporting Cost of Overheads Increasing**



# Performance Indicators

Chart 9  
Profitability Index



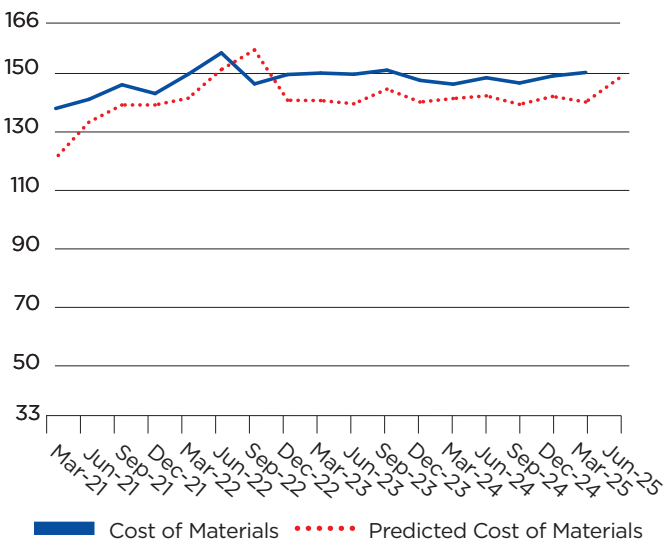
**Profitability Index for the March Quarter 2025**

70.1 points

**Predicted Profitability Index for the June Quarter 2025**

78.5 points

Chart 10  
Cost of Materials Index



**Cost of Materials Index for the March Quarter 2025**

150.3 points

**Predicted Cost of Materials Index for the June Quarter 2025**

148.3 points

Chart 11  
**Cost of Overheads Index**

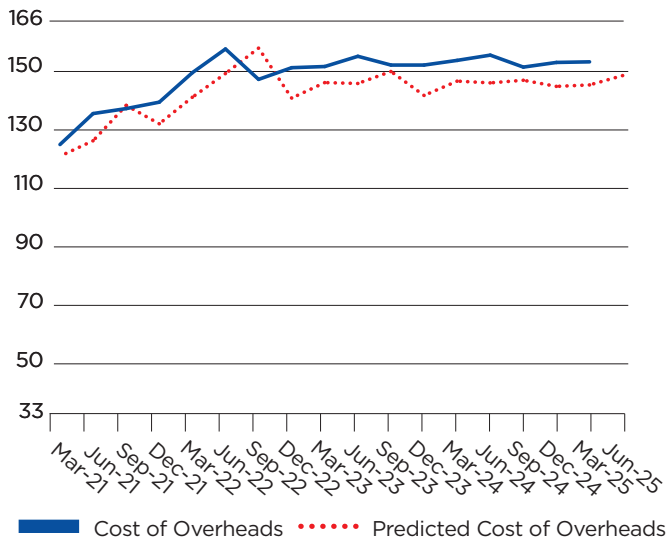
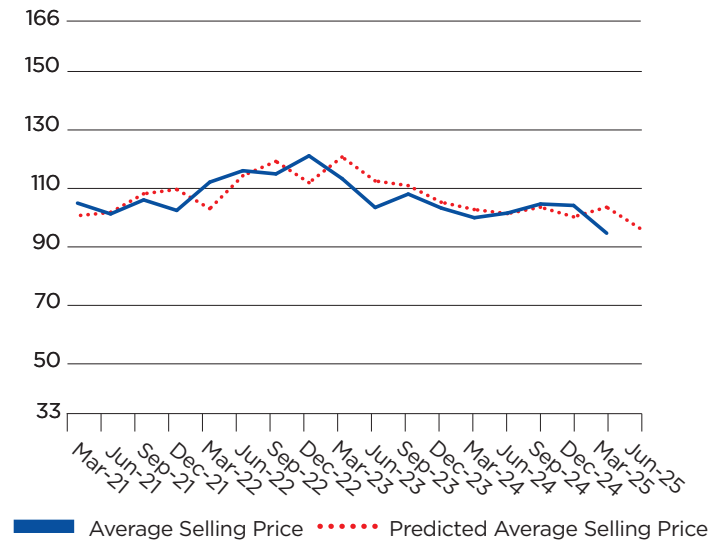


Chart 12  
**Average Selling Price Index**



**Cost of Overheads Index for the March Quarter 2025**

153.4 points

**Predicted Cost of Overheads Index for the June Quarter 2025**

148.7 points

**Average Selling Price Index for the March Quarter 2025**

94.7 points

**Predicted Average Selling Price Index for the June Quarter 2025**

96.4 points

Chart 13  
Orders Received Index

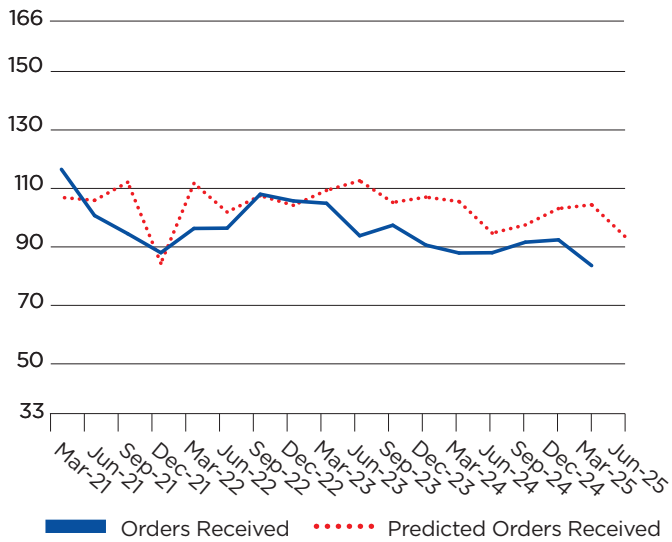
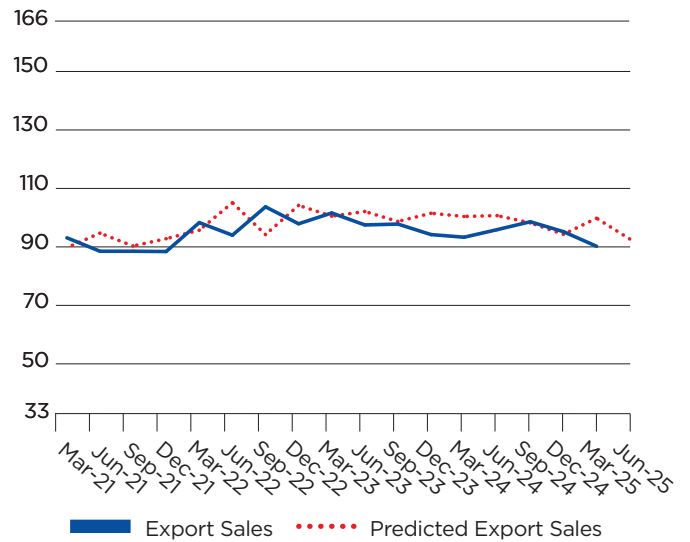


Chart 14  
Export Sales Index



### Orders Received Index for the March Quarter 2025

83.6 points

### Predicted Orders Received Index for the June Quarter 2025

93.6 points

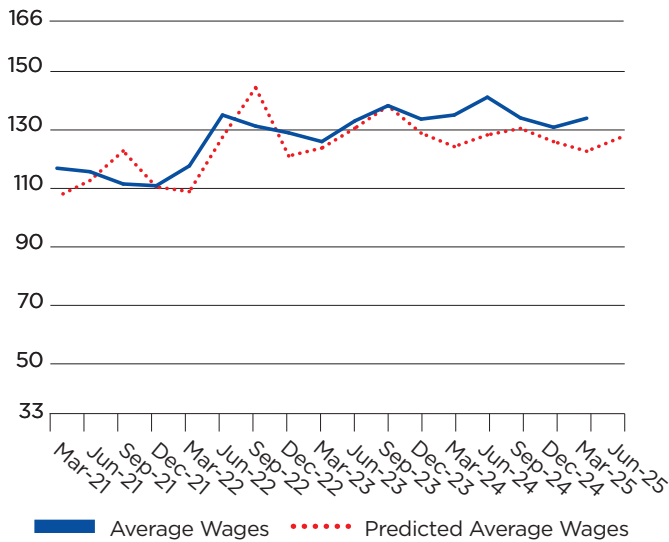
### Export Sales Index for the March Quarter 2025

90.2 points

### Predicted Export Sales Index for the June Quarter 2025

92.7 points

Chart 15  
Average Wages Index



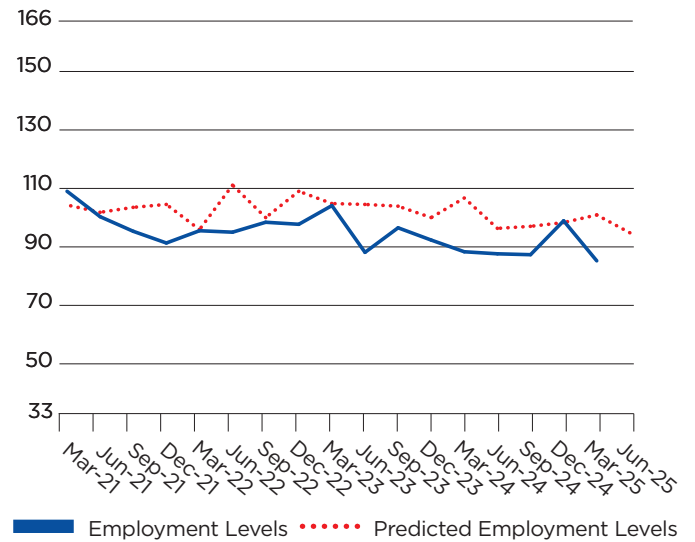
**Average Wages Index for the March Quarter 2025**

134 points

**Predicted Average Wages Index for the June Quarter 2025**

127.3 points

Chart 16  
Employment Levels Index



**Employment Levels Index for the March Quarter 2025**

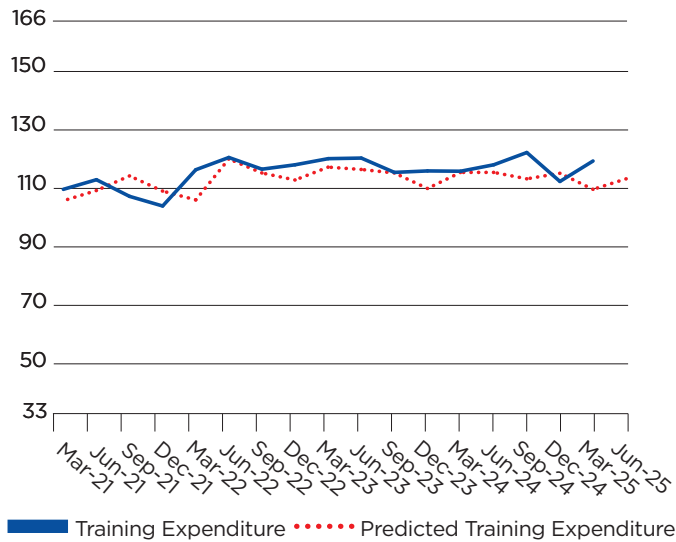
85.2 points

**Predicted Employment Levels Index for the June Quarter 2025**

94.8 points



Chart 17  
**Training Expenditure Index**



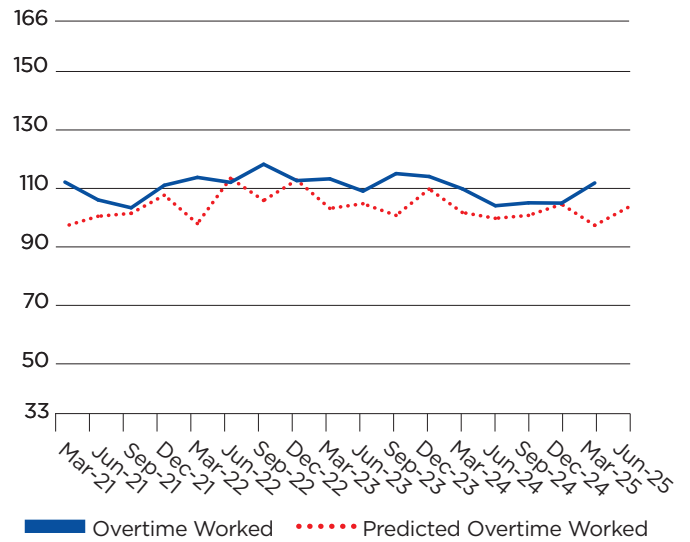
### Training Expenditure Index for the March Quarter 2025

119.4 points

### Predicted Training Expenditure Index for the June Quarter 2025

113.3 points

Chart 18  
**Overtime Worked Index**



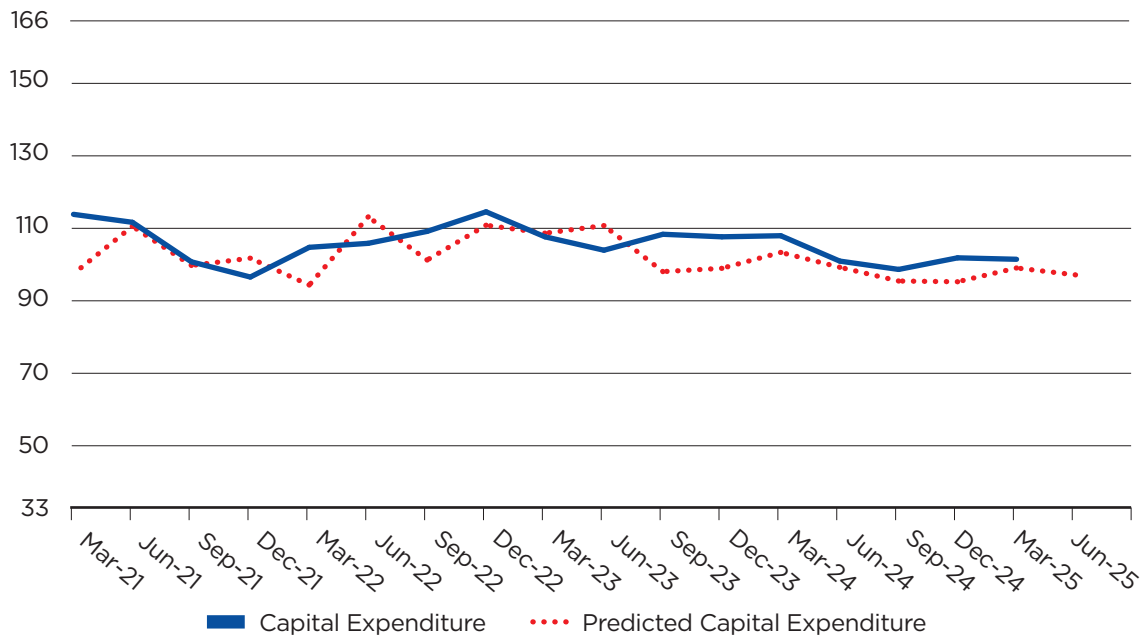
### Overtime Worked Index for the March Quarter 2025

111.9 points

### Predicted Overtime Worked Index for the June Quarter 2025

103.5 points

Chart 19  
Capital Expenditure Index



**Capital Expenditure Index for the March Quarter 2025**

101.4 points

**Predicted Capital Expenditure Index for the June Quarter 2025**

97.1 points

# Federal Policies, Compliance & Innovation

## As the Federal Election Nears, Here's What Businesses Want Addressed...

In the survey, we asked businesses what issues they would like to see addressed in the federal election. The responses were as many and varied as you would expect from our diverse business network. Rather than provide pages of raw data, we have captured them in summary format here.

The overall response revealed continued concern about challenging business conditions. Rising operating costs, increasing regulatory demands, and ongoing workforce shortages are placing significant pressure on businesses of all sizes, with small businesses, sole traders, and regional enterprises feeling the impact most acutely.

There is widespread dissatisfaction with compliance costs, inflexible labour laws, and regulations that make it harder for employers to engage casual staff when needed. Many businesses also expressed frustration with the complexity of government grant processes, calling for systems that are simpler, fairer, and involve less paperwork.

The rising cost of energy, living expenses, and inflation were consistently identified as major pressures. Business owners are seeking urgent action to bring down electricity, gas, and fuel prices. Some respondents are also calling for a broader rethink of energy policy, advocating for a balanced approach that prioritises energy security and affordability alongside renewable energy goals.

Skills shortages continue to be a prominent concern, particularly in regional areas and industries such as food production and hospitality. Businesses are urging improvements to TAFE and vocational education systems, alongside more practical incentives for employing apprentices and trainees to help build a stronger workforce pipeline.

Taxation and financial regulation issues were also highlighted as significant barriers to growth. To provide more certainty and enable long term planning, small businesses are calling for permanent arrangements rather than temporary relief measures, along with reforms to payroll tax and superannuation obligations. Many also raised concerns about the growing cost of government operations and questioned the value of increasingly burdensome ESG compliance requirements.

Overall, survey respondents showed a strong desire from businesses to be recognised as essential to the health of the economy and communities. Business owners are calling for tangible action to reduce red tape, support small and regional businesses, and create an environment that encourages business growth, job creation, and prosperity.

## What is the Most Unnecessary or Burdensome Red Tape You Face?

*We have four food and establishment audits per annum. 1) Department of Agriculture, Fisheries and Forestry 2) SA Health 3) Local Government 4) Private HACCP plan.*

» **Hospitality, 20-49 employees**

*Streamlining the tender process would be good - have the same template so some bits are already completed and only done once.*

» **Education and Training, Sole Trader**

*It's the quantity of mandated reports - some time consuming and others not so bad. A car tax review took 18 months to complete.*

» **Manufacturing, 200+ employees**

*The attitude of local Councils concerning building regulation, and the unreasonable constraints placed on our company in relation to the Department of Customs involvement in who we can or cannot employ.*

» **Transport, Postal and Warehousing, 20-49 employees**

*It's hard to pick a winner because there are so many. Our business is large enough to have a team to manage compliance, so its the small businesses that are bogged down. Payroll tax and land tax are highly restrictive to investing and growing a business and add cost to the final product that needs to compete with imports from China and Asia*

» **Manufacturing, 50-199 employees**

*IR laws. Limiting our ability to make necessary structural changes and keep control of overhead costs, also ESG requirements.*

» **Construction, 20-49 employees**

*Wine label compliance - we are running out of real estate on wine labels to continually comply, and now they want us to put on nutrition panels - which will be expensive to calculate for individual vintaged products - and the looming potential of plain packaging with graphic warnings.*

» **Agriculture, Forestry and Fishing, 5-9 employees**

*Dealing with ASIC was very frustrating for us and wasted a lot of our time this past quarter. We made an error on a form and it took multiple calls, dozens of hours, and involving our accountant to get it resolved.*

*ASIC forms/filings and support needs to be dramatically simplified. Also, their fees were pretty outrageous.*

» **Professional, Scientific and Technical Services, 1-4 employees**

*Recently, SA Skills tribunal, SA Employment Tribunal and Fair Work. Why do we need three departments for the same thing? Consolidate and remove 2.*

» **Construction, 50-199 employees**

*Poor wording/categorisation of SA Health regulations regarding food businesses. As a supermarket selling prepackaged commercially made foods I'm treated the same as a full service restaurant who cooks from raw.*

» **Retail Trade, Sole Trader**

*SA Water connection process, Fire Brigade interface connections, Councils now doing inspections of systems already inspected by a builder, consultant, SAMFS and certified by contractor.*

» **Construction, 10-19 employees**

*Regulation by Australian Skills Quality Authority (ASQA). The regulatory approach is costly, excessive and treats every training organisation negatively and with suspicion.*

» **Education and Training, 200+ employees**

*PIRSA and their constant requirements and regulations forced onto primary producers along with numerous levies we pay for every animal we sell.*

» **Agriculture, Forestry and Fishing, Sole Trader**

*WGEA gets bigger every year, by people living in a bubble. Environmental reporting as well creating a huge amount of work.*

» **Manufacturing, 200+ employees**

*The growing burden of compliance requirements placed on food manufacturing businesses, particularly by large retailers such as Coles and Woolworths. While initiatives related to responsible sourcing, environmental sustainability, ethical certifications, and regulatory compliance are well-intended, the sheer volume of these requirements is becoming a major obstacle for businesses.*

» **Manufacturing, 20-49 employees**

### **Main Challenges Limiting The Ability to Innovate...**

*World oversupply of production of red wine. This flows down to us small producers where all elements of our business are under attack.*

» **Agriculture, Forestry and Fishing, Sole Trader**

*Profitability and wages. Not having the spare cash to invest in innovation.*

» **Manufacturing, 50-199 employees**

*We have come to a screeching halt in growth, not because our customers don't want us, not because our industry isn't a vital part of our regional community. But because costs have exploded, landlords are greedy, payroll tax is an absolute game changer for us - taking 1/3 of our earnings as owners this year alone. It's no longer worth it to keep pushing to expand.*

» **Hospitality, 50-199 employees**

*Consumers don't have enough spare money in their pockets due to high housing costs.*

» **Manufacturing, 20-49 employees**

*Every hour spent on red tape is at the expense of an hour spent on innovation.*

» **Professional, Scientific and Technical Services, 5-9 employees**

*Reduced demand and increased costs have put us in survival mode. Need profitable trading to finance innovation and to build an atmosphere of confidence, which is more conducive to creative and innovative thinking. Solutions could start with recognition and understanding of the unnecessary damage done to the economy in recent years. The increasingly difficult hoops to jump through to be compliant.*

» **Manufacturing, 5-9 employees**

*A major challenge is the transient workforce, whether through immigration or a generation less inclined to stay in roles long-term. High staff turnover means constant retraining, increasing operational costs and diverting resources from innovation and efficiency improvements. Instead of developing new products or processes, we are repeatedly onboarding and upskilling new employees, reducing long-term business stability and growth potential.*

» **Manufacturing, 20-49 employees**

*Our small market. While we service customers in SA, VIC and NT, it's still a relatively small market on a global scale.*

» **Wholesale Trade, 10-19 employees**

*One of the biggest challenges for Australian businesses right now is the sheer amount of red tape. Long visa delays, complex industrial relations rules, and layers of state and federal compliance all make it harder to innovate, grow, and get things done. If we want to stay competitive, we need a more practical, joined-up approach—one that frees businesses to focus on creating jobs, solving problems, and driving the economy forward.*

» **Other, 50-199 employees**

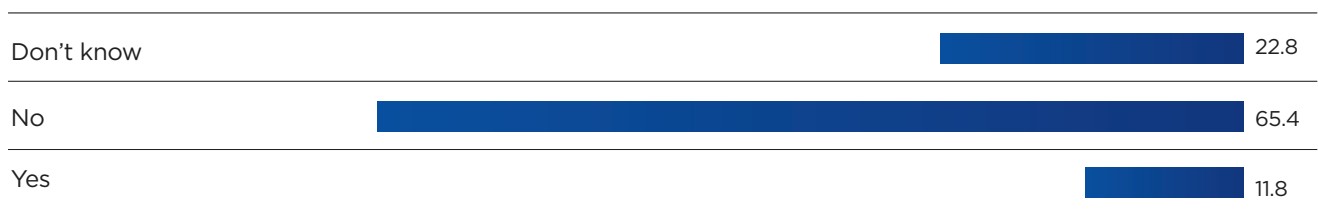
*Higher interest rates and inflation. Also, the loss of productivity and workers own expectations of the amount of work required.*

» **Rental, Hiring and Real Estate Services, 10-19 employees**

*There is far too much nonproductive reporting (environment, WGEA, etc).*

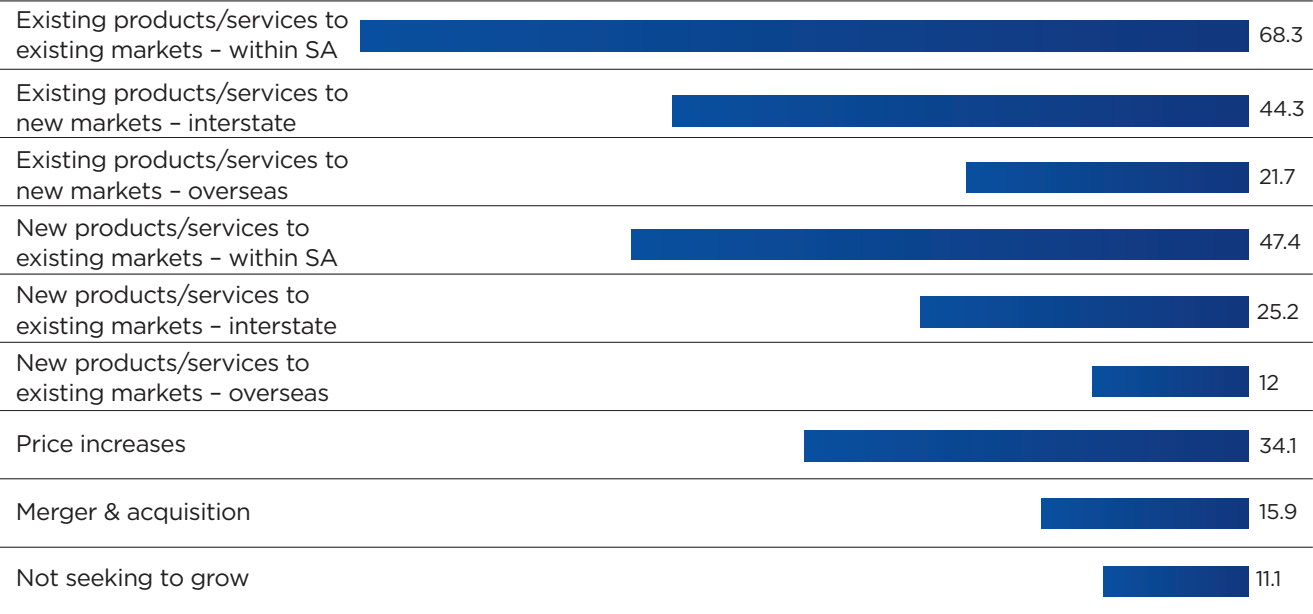
» **Manufacturing, 200+ employees**

Chart 20  
Have US Tariffs Impacted Your Export Strategy? (%)



# Business Growth & E.S.G.

Chart 21  
In What Ways Are You Looking To Grow Your Business? (%)



*\*respondents could select more than one*

The most common growth strategies being pursued by SA businesses will involve reaching more South Australian consumers, either with existing products (68.3%) or via businesses developing new products or services (47.4%). Only 11.1% of respondents are not actively looking to grow their business, reflecting the need to grow to survive in the current climate.

44.3% of businesses are looking to extend their business to interstate markets using existing products and services, and just over a quarter are looking to do the same with new products or services. It is a likely signal of international trade uncertainty that just 21.7% are looking to expand overseas and only 12% to do so with new products or services.

Unsurprisingly, price increases will be a feature of 34.1% of businesses' growth strategies. This is likely due to escalating costs of doing business. 76% of respondents said their cost of materials rose in the quarter, and 83% reported the cost of overheads became more expensive in the quarter. Both these cost indices are now over 150 points, near their maximum amount of 166.

Interestingly, 15.9% of businesses said potential mergers and acquisitions could form part of their growth strategies in the near future. When we asked a similar question 18 months ago, just 1.5% of businesses said it was a method they would pursue to achieve their growth goals.

Chart 22  
How Well Do You Understand ESG Principles & Their Potential Impact on Your Business? (%)

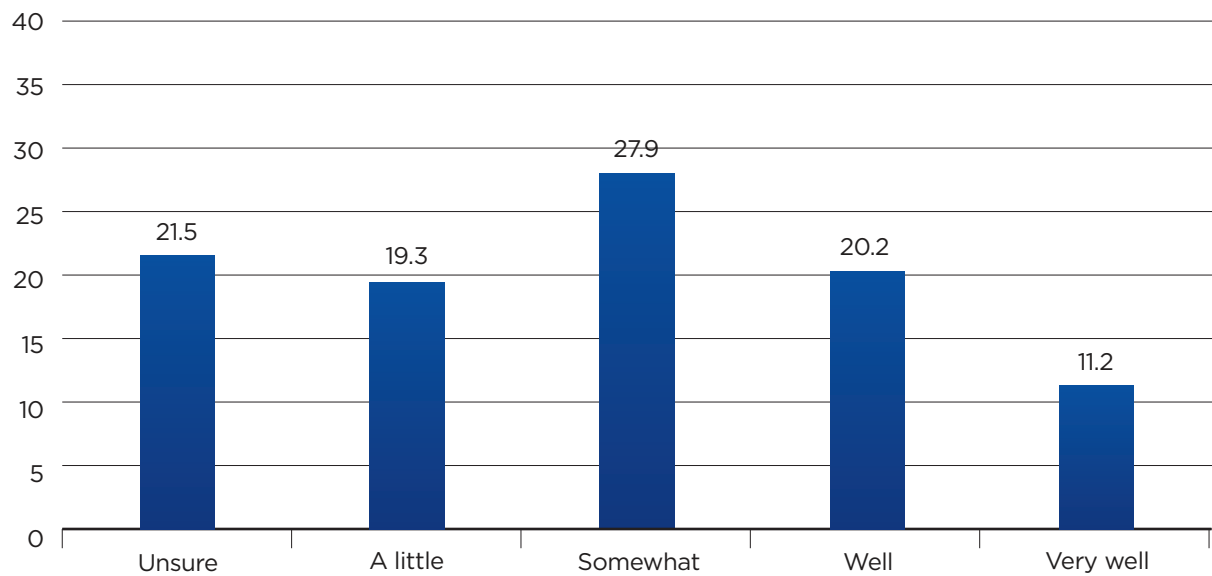


Chart 23  
How Important is Adopting ESG Practices for Long-Term Success? (%)

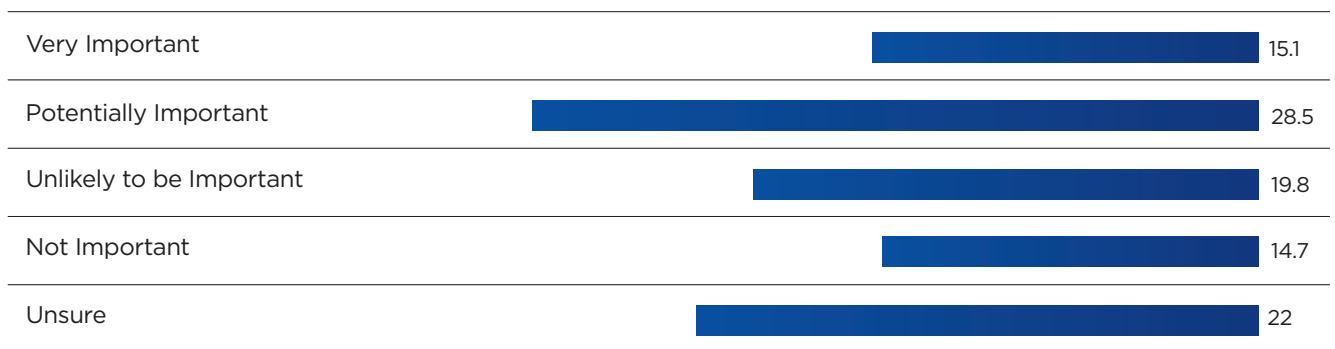




Chart 24  
**Are You Currently Integrating ESG Requirements Into Your Business? (%)**

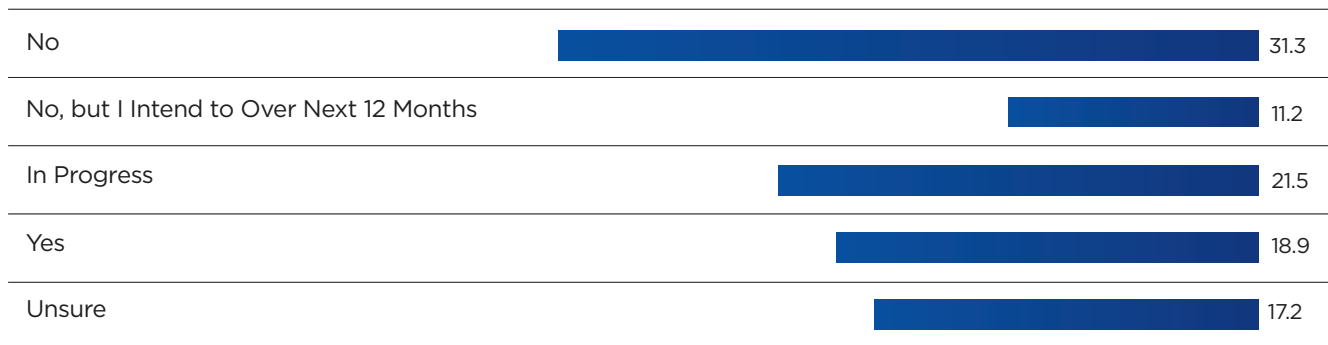
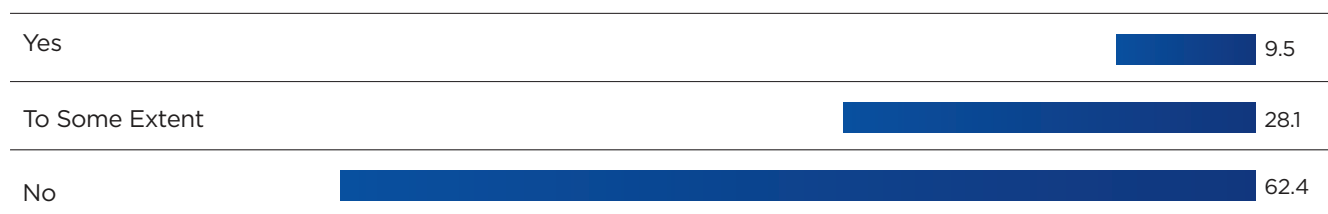


Chart 25  
**Does ESG Play a Role In Attracting/Retaining Talent in Your Business? (%)**



With the introduction of mandatory climate reporting for large businesses starting at the beginning of this year, and the potential flow on to small businesses in the supply chain in the future, we looked to learn how South Australian businesses are approaching ESG.

Only 11.2% of businesses feel they understand ESG principles very well, while a further 20.2% believe they understand them well enough to gauge their impact on the business. The relatively new and somewhat complex nature of ESG is highlighted by the fact that more than one in five businesses are unsure about what ESG principles involve or how these principles might affect them.

22% of respondents are unsure whether adopting ESG practices will impact the long-term success of their business. Views on ESG's importance vary: 28.5% believe it could potentially be important, 19.8% think it is unlikely to matter, and 14.7% believe ESG will not be important to their future success at all.

As to the current state of integrating ESG requirements into businesses, 18.9% of respondents have incorporated the ESG requirements they deem necessary into their operations. This is expected to grow quickly with 21.5% reporting they are progressing with implementation and a further 11.2% stating their relevant ESG requirements will be achieved in the next 12 months. At the other end of the scale, 31.3% of businesses have not implemented any ESG fundamentals.

The prominence of ESG principles in these results is notable, especially given that the majority of business operators (62.4%) do not believe ESG plays a role in attracting or retaining talent.

Many other respondents (28.1%) believe it may play a small role, and just a minority of 9.5% believe it plays a significant role. When asked about the top five issues facing their business at the start of the survey, just 11.6% selected ESG.

# Case Study

## Compliance Pressures Facing Businesses Needs Middle Ground

Case Study by Darcy Matthews - Policy Adviser at the South Australian Business Chamber

The impact of growing compliance costs and regulatory timeframes facing South Australian businesses are ultimately leaving consumers worse off, and a greater level of practicality is needed.

Rohde Egg Co., a family business, led by father and son, John and Martin Rohde, produce approximately 30 million eggs per year, with most coming from their Tarlee farm. They say that while appreciating its need, they could increase production if compliance and approval processes were more accommodating of the costs of doing business.

This comes as the March quarter Survey of Business Expectations from the SA Business Chamber, released today, found that government regulations, legislation and compliance are the second most frequently cited issue facing SA businesses. The increasing impact of red tape now outweighs concerns about profitability or finding skilled staff.

Already operating 20 free range layer sheds and currently building another four, plus a new production facility, Rohde Egg Co knew the costs of expanding would be substantial. "But environmental and building approvals from local and state governments have unfortunately delayed the process a few times" said John, whose father Ian founded the business in 1957 to supplement his family's cropping and sheep income.

"As a result, we have 30,000 fewer birds on the property now than we planned and that unfortunately flows on to the shortages consumers are facing."

When deciding whether to pursue any expansion of their operations, Martin estimates "compliance costs can add up to an additional 20% of the price of the project and allow up to three years for building projects from planning to completion. Which amounts to less employment and fewer eggs being available."

**"We think the high time and financial cost of compliance can be brought down without sacrificing environmental, biosecurity or fire safety standards."**

Martin cites recent requirements to change how they dispose of waste, and fire safety equipment obligations as examples. Insurance premiums persistently rising are another huge challenge.



John and Martin Rohde of Rohde Egg Co.

“We have a strong self-interest in having our compliance, quality assurance and biosecurity standards as strong as possible, and keeping other risks such as fire low. If there was an outbreak of Avian influenza on our farms, as previously seen in the Eastern states, it would “have catastrophic repercussions.”

Given this, Rohde’s feel a level of recognition from regulators of how costly some interventions can be, and practical moves should be pursued to support compliance in a way that enables, rather than hinders, production.

“When regulations are applied without nuance and understanding, it can feel like being penalised for doing the right thing and make us second guess ourselves,” said Martin. “We’re not cutting corners, we understand the need for them, it’s just that a bit more flexibility would go a long way.”

Despite the delays and rising cost challenges, Rohde Egg Co.’s continued growth by opening new facilities and machines is resulting in greater productivity and quality control in the business.

At the heart of it all is a love for the work, the family business, and a belief in the product. “Eggs are one of the most affordable proteins out there,” Martin says. “We want to keep supplying South Australians, but there are a lot of reasons to consider when contemplating growth. Between compliance, cost, and labour—it is a balancing act.”

The Rohde family are committed to a bright future with John stating, “as long as there’s demand out there for our products, we will try and be there to meet it.”

# A Word from William Buck

Written by Adrian Chugg – Managing Partner, William Buck

Tuesday 06 May 2025

## Business struggles continue, but local growth can shine through.

The verdict is in, and businesses are struggling. Profitability, as measured by the South Australian Business Chamber in its Survey of Business Expectations for the March quarter of 2025, declined by 15.5 index points to now be 70.1 points (a neutral score is 100). This is the lowest profitability score recorded since the early days of Covid in March 2020.

This outcome coincides with the costs of materials and the cost of overheads rising for more than 75% of businesses surveyed. With disposable income of consumers proving tight and many businesses suffering margin pressure, it is proving much more difficult for some businesses to continue to pass through cost increases to customers.

Again, we have seen the prominence of government policies, legislation and compliance increasing. Now it is the second most commonly cited issue facing SA businesses, up from third and fourth in recent surveys. So many of our clients cite the complexity of the award system and payroll complications as a major contributor to time wasted dealing with compliance. Awards covering staff in retail, aged care and the NDIS sectors are especially complex. A more simplified industrial relations landscape should be a priority for lawmakers to improve business conditions going forward.

The survey results also indicate that the jury is out on environmental, social and governance procedures (ESG) in SA businesses. 31.3% of businesses have not implemented any ESG requirements into their operations and a further 17.2% are unsure of their obligations. This is despite mandatory climate reporting coming


into effect for many large businesses in recent months. Additionally, just 9.5% of businesses feel that ESG factors play a role in staff retention or recruitment.

The ripple effects of trade uncertainty are making many South Australian businesses apprehensive about their future growth plans, as well as looking to decrease or actively manage their foreign exchange exposure when it comes to importation costs. 11.8% of businesses said that US tariffs will change their export strategy, and a further 22.8% were unsure. If the risk side of the risk-reward equation increases, many South Australian businesses looking to trade or expand overseas are likely to think twice.

However, there are opportunities for businesses to thrive in uncertainty, especially close to home. Despite cost and profitability pressures, just 11.1% of surveyed businesses said they were not seeking to grow.

Businesses' most common growth strategies involve reaching new customers locally. As well as bringing new products and services to their





Adrian Chugg,  
Managing Partner  
William Buck Australia

existing customers in SA and nationally. Large infrastructure projects like AUKUS and T2D will likely create some positive spillover effects for many businesses.

Challenging times can be useful times for many businesses to focus on building the foundations that can help them succeed. Adaptive businesses, from our experience, are guided by a clear, concise strategy that all staff aspire to implement. They have a robust budget that enables them to identify financial problems early and track ongoing progress. They're consciously diversifying into new products,

services and markets. Being proactive towards how a business can capitalise on turbulent times can make a significant improvement to business resilience and growth. With those fundamentals in place, now could be a good time to explore new ideas or use challenging conditions as motivation to improve.

**William Buck**  
ACCOUNTANTS & ADVISORS

# About the South Australian Business Chamber

The South Australian Business Chamber is SA's largest membership-based employer organisation, representing employers and business owners across 19 different industry sectors.

Our purpose is to remove complexity and create opportunity for South Australian business.

At the South Australian Business Chamber, we empower businesses to reach their full potential. We **advocate** on behalf of businesses, we help **protect** and **educate** businesses. We have been doing this for over 185 years. We **connect** businesses by building valuable relationships.

As the independent, representative voice for employers and business owners across South Australia, we're proud of our long history, our future focus and our strong leadership in supporting business needs.

If you are not already a member, please call our membership team on **08 8300 0000** or email [customerservice@sabusinesschamber.com.au](mailto:customerservice@sabusinesschamber.com.au).





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Since 1839, our expert services made SA businesses stronger. Whether you're a micro-business or a multinational we serve you, our members, to strengthen the local business community – for the benefit of all South Australians.

Your success is our business. Visit [sa.businesschamber.com.au](http://sa.businesschamber.com.au) to join today





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