
The Business SA
Survey of Business
Expectations

now in its 43rd year

SEPTEMBER
QTR 2023

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THE ECONOMY

BUSINESS CONFIDENCE

South Australian business confidence has rebounded positively in the September quarter 2023 to 83.9 points from a significant low of 77.3 points in June.

83.9 pts

South Australian Confidence Index

Up 6.6 points from last quarter

78.3 pts

National Business Confidence Index

Up 9.9 points from last quarter

Though this reflects the impressive ability of South Australian businesses to adapt to challenging conditions, we note that confidence is still well below neutral (100) and 2.8 points below where it was 12 months ago at 86.7 points.

Business SA's Business Confidence Index measures how South Australian businesses expect the state and national economies to perform over the next 12 months. Now in its 43rd 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.

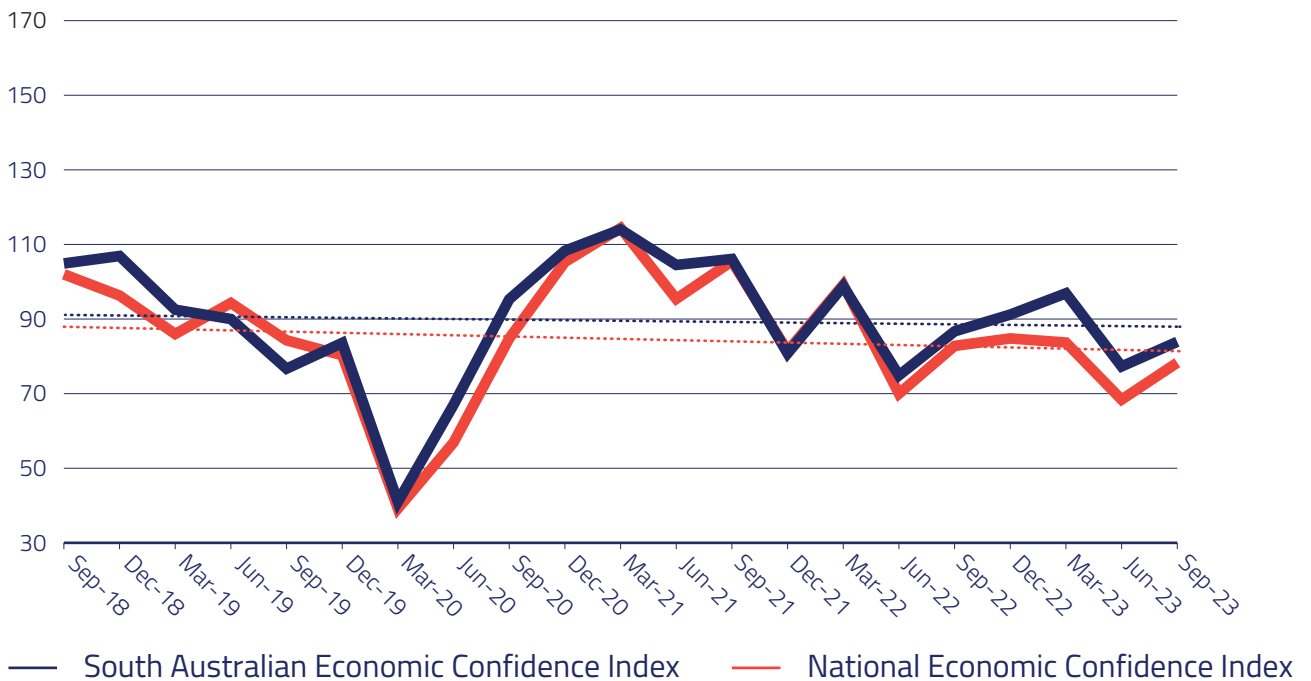
Our respondents' perception of the Australian economy showed similar results, increasing a substantial 9.9 points to 78.3 points. Interestingly, respondents have been routinely more optimistic about the South Australian economy compared to the national economy over the last 18 months. Since March 2022, the average confidence for SA is 7.1 points higher than the average national confidence index. The rebound in confidence is reflected nationally in retail turnoverⁱ and inflation figuresⁱⁱ rising higher than most pundits expected.

Earlier this year, our March survey indicated that SA businesses had withstood the (then) ten consecutive interest rate rises and associated cost increases. Our June 2023 survey then saw SA confidence drop significantly, down 19.6 points, as these costs began to bite. The September quarter's 6.6-point confidence increase signals that businesses are beginning to adapt to these economic conditions noting that we had enjoyed a period of interest rate stability between surveys. These challenges include increasing energy, rent, insurance, and fuel prices coupled with interest rate rises lowering disposable incomes of their customers. Several respondents commented they believe that costly conditions are here to stay.

It is worth commenting on the sheer uniqueness of the South Australian and Australian economy at time of writing. That interest rates have increased by more than 4% in the past 18 months but have not yet impacted unemployment figures has surprised many. Survey respondents have consistently shown over recent surveys that despite rising business input costs, their willingness and ability to grow has proven to be quite resilient. These somewhat counterintuitive and volatile conditions are testing businesses – and while there are signs of these trends moving towards the conventional, unemployment in South Australia remains at near historic lows.

Chart 1

SA & National Economic Confidence Indices



CASE STUDY

Business is GLOWING

Article by Anthony Caldwell - Manager, Marketing, Media, Communications – Business SA.

"From delivering 4 babies in December 2019 to 22 booked in for December 2023" – that's the impressive metric Dr Charlotte Paull, Obstetrician, Gynaecologist, and Partner at Glow Specialists, proudly cites to showcase the remarkable growth of her four-year-old private medical practice.

Sitting amidst a collection of heartfelt cards from new mothers expressing gratitude for the exceptional care and quality of service provided, Charlotte shared the trials of transitioning into business ownership after university.

"I dedicated 14 years to training before co-founding Glow Specialists. Six years of undergraduate medicine, followed by two years of general training, and another six years in specialised training," Charlotte explained. "Yet, nothing has been as daunting as starting a business."

Glow Specialists, situated adjacent to Ashford Hospital off Anzac Highway, is a female-led private practice, specialising in gynaecology, obstetrics, laparoscopy, and women's health.

"University educates you extensively for a medical career, but there's no playbook for entrepreneurship," Charlotte shared.

"Medicine comes naturally to me. However, navigating the complexities of a business, overseeing growth, managing staff, administrative tasks, and the responsibilities that come with being an owner, that's what feels daunting."

Despite administrative challenges on the business side, Glow Specialists shines in a positive and upward trajectory.

"In the coming month, we're excited to welcome a fourth doctor to our practice," said Charlotte. "In a field where we are on call 24/7 delivering babies, having an additional practitioner will significantly alleviate the shared workload."

Expressing excitement at the imminent arrival of a new specialist at Glow, Charlotte also highlighted the substantial benefit it brings to the business side of the practice.

"Our new partner is an established private clinician and upon joining us she will bring significant growth from her existing patient base," Charlotte elaborated.

The business of babies is strong. According to a 2020 report by SA Health, births in private maternity units accounted for approximately 20% of all births in South Australia, a number she mentions is contributing to a steady rise for practices like Glow Specialists.

"Unlike many other businesses, we operated at full capacity during the pandemic," she noted. "Surprisingly, things got even busier for us; more families welcomed children into their lives."

With four years of consistent growth, Glow Specialists has displayed resilience against many challenges faced by businesses, especially during the pandemic, though it's not immune to the current economic conditions.

"Pressures of rising living costs have affected young families, which form our primary market," Charlotte acknowledged. "As budgets tighten, healthcare spending often decreases for many."

Charlotte highlighted the increased overall cost of doing business but emphasised her reluctance to transfer these costs directly to patients due to the nature of their services.

"Cost of doing business concerns not only us but many business owners," she said.

According to the Business SA, William Buck September survey of business expectations, the cost of doing business was reported as the biggest concern for business owners, who cited energy prices and rising wages as responsible for eroding profit margins.



BUSINESS CONDITIONS

GENERAL BUSINESS CONDITIONS

General business conditions in South Australia rose in the September quarter, up 9.1 points to 95.7 points, and 4.9 points higher than expected. This is a marked change from June conditions which saw a precipitous 19.3-point decline.

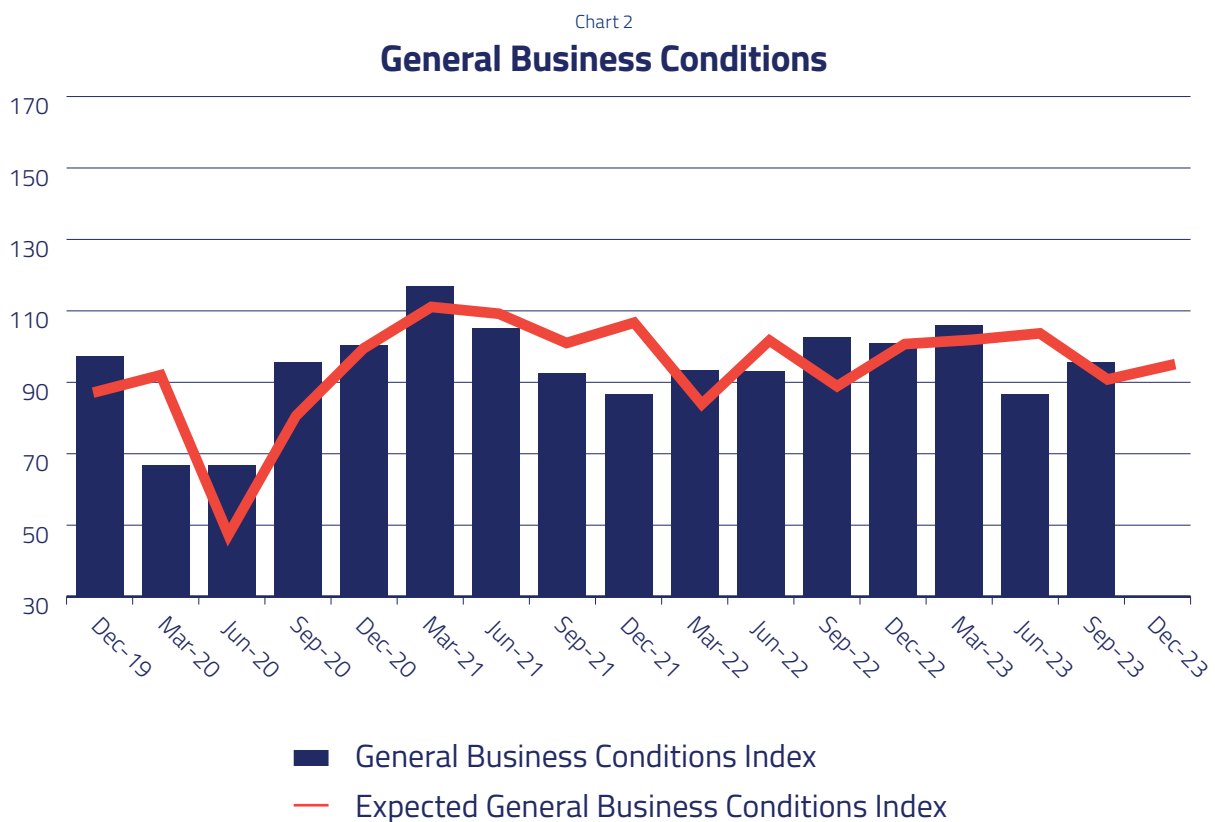
Together, these illustrate a volatile 28.4-point swing in conditions in just six months, making long-term strategic planning for business decisions difficult and highlighting the need to be agile and adaptive. General business conditions are currently seven points lower than the same time last year.

95.7 pts

General Business Conditions Index

96.2 pts

Total Sales/Revenue Index



**GENERAL
BUSINESS
CONDITIONS**

9.1

points down from
June quarter 2023

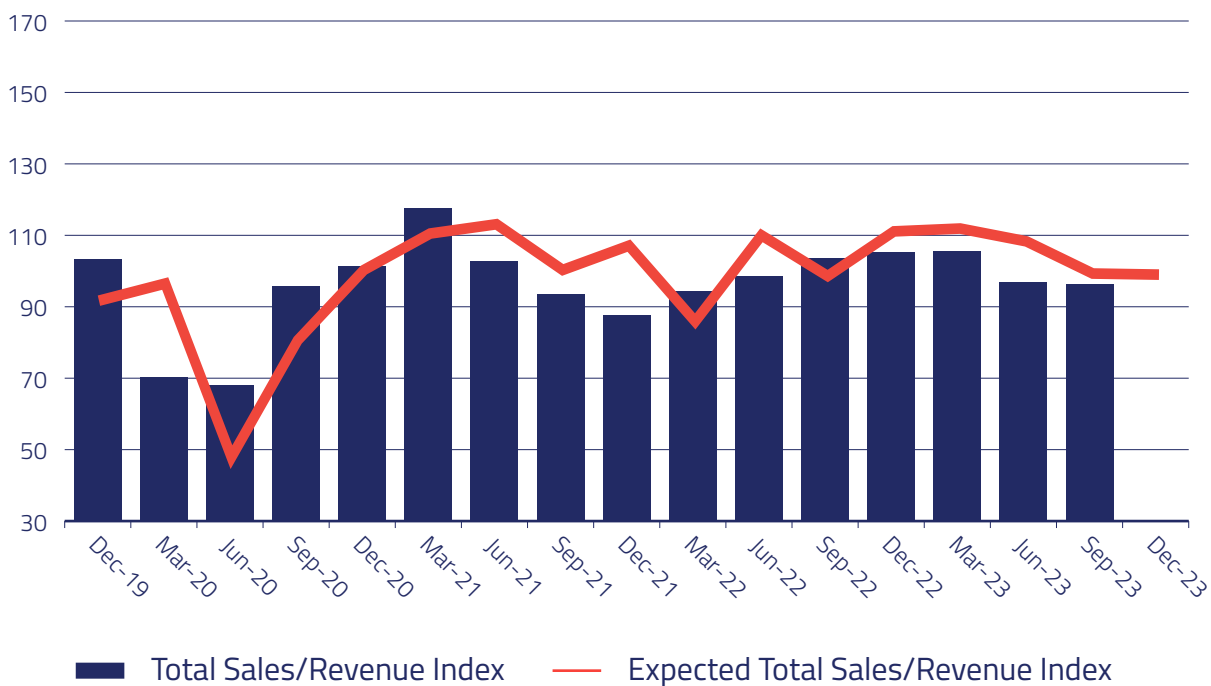
95.1

points expected for
December quarter 2023

TOTAL SALES/REVENUE

Although dropping only moderately, South Australian *Total Sales/Revenue* declined in the September quarter - down 0.7 points to 96.2 points, and 7.2 points lower than a year ago (103.4). This is unsurprising given the significant interest rate rises over the last 18 months were set to contain inflation by lowering disposable incomes. Respondents commented they, and many of their customers, are having to stretch their incomes further, so sales and revenue have correspondingly declined. Although the Total Sales/Revenue Index is near neutral, which is relatively encouraging during a downturn, its longer trend downwards is concerning.

Chart 3
Total Sales/Revenue



**TOTAL
SALES/
REVENUE**

0.7

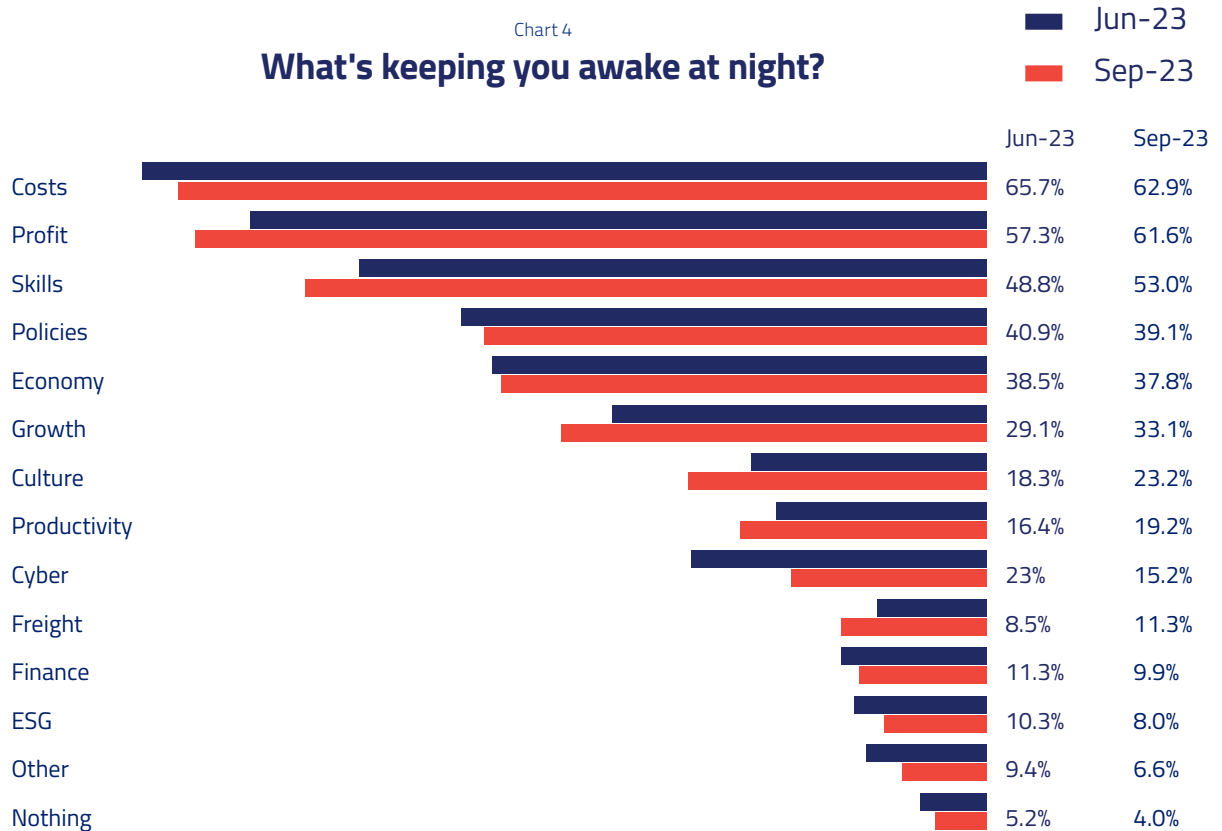
points down from
June quarter 2023

99.0

points expected for
December quarter 2023

WHAT'S KEEPING YOU AWAKE AT NIGHT?

Respondents can choose up to five main issues for their business.



Costs of doing business remained the biggest concern for South Australian business operators (62.9%), with *Profitability/profit margins* running a very close second (61.6%). That nearly two thirds of our respondents are actively worried about their costs and their profitability should be a prominent concern for the state. Such conditions are unsustainable, and Business SA will continue advocating for a more business friendly climate in South Australia.

The seemingly ubiquitous *Staff/skills shortages* features prominently again with over half of all respondents selecting this option, a 5 percentage point increase on three months ago. As the comments show, these are most keenly felt in trades and the health industry.

Concerningly, *Workplace culture, wellbeing and mental health* increased to 23.2% in this survey, up from 18.3% last quarter. While we do not collect data on the reason for respondent selections, it flags as an issue that may require a deeper dive in future surveys.

Despite growing awareness in the media and society about cyber threats, it seems business owners have their focus elsewhere as we note a 5 percentage point reduction in respondents' concerns about cyber security, risk management and digitalisation.

What has been keeping you awake at night?

The cost of business looks to be 'locked in' at this high level going forward and interest rates will be at current levels for many years now. The very low interest rates were an error in hindsight which helped set alight the higher inflation. The govt needs to also address the supply side to reduce inflation.

Agricultural, Forestry and Fishing, 50-99 employees

Govt at all levels passing on costs to business without consideration to providing the conditions, economic settings that would facilitate business ability to absorb these - eg wages growth out of step with market.

Manufacturing, 50-99 employees

Ongoing government policy that places more compliance, reporting and cost onto business must stop. Business is continually lumbered with more and more requirements and it costs [us the] time [usually] spent on actually running and growing a business. Many current policies are negative for business which is not conducive to growth or improving productivity for the state and the country.

Construction, 150-199 employees

My biggest worry this year is the further increase on minimum wage & super, this has pushed us over the \$1.5m threshold and now I'm having to pay payroll tax. The increase on wage & super has also increased our Return to Work premiums and other insurance based on remuneration.

Manufacturing, 20-49 employees

If the current government's proposed 784-page "closing the loopholes" blueprint for conducting business in Australia passes the Senate, heaven help small business.

Professional, Scientific and Technical Services, Sole-proprietor

It's just the stresses of running a business, it feels so lonely at times, too much to do and not enough time and it's impacting mental health.

Financial and Insurance Services, 1-19 employees

ECONOMIC EXPECTATIONS

How do you think the following indicators will change over the next three months?

	Decrease (%)	Same (%)	Increase (%)
Interest rates	3.5	43.4	53.2
Inflation rate (CPI)	8.4	37.8	53.9
Unemployment rate	6.3	49.7	44.1
Value of \$A (against \$US)	49	44.8	6.3

On 25 October the Australian Bureau of Statistics announced a higher-than-expected increase in inflation, up 1.2% in the September quarter – largely due to price rises in automotive fuel (7.2%), electricity (4.2%) and rents (2.2%)ⁱⁱⁱ. The economy's inflationary challenge is not yet behind us with the majority of respondents predicting interest rates to increase in the next quarter (53.2%). On 7 November, the Reserve Bank of Australia (RBA) announced an increase to the cash rate, up 25 basis points to 4.35% following a four-month pause.

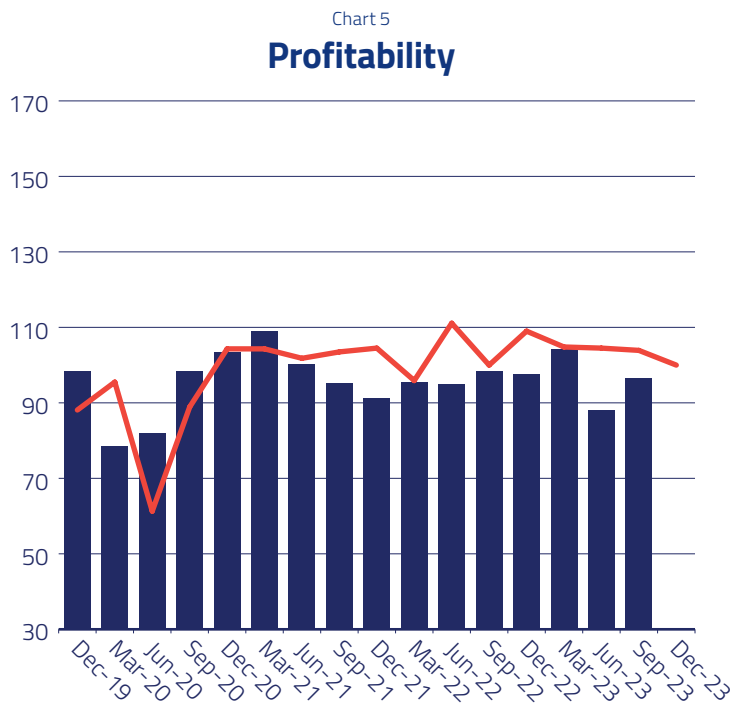
Similarly, most respondents see inflation accelerating in the next quarter, perhaps due to the persistent increase in input costs and wages, and little evidence of price deceleration.

Given the last 18 months of inflation and subsequent tightening of monetary policy, unemployment rates in Australia have remained robustly low. 49.7% of respondents believe the unemployment rate will remain stable, while 44.1% predict an increase. As shown on page 16, our Employment Levels Index forecasts businesses employing slightly fewer people in the next quarter.

The AUD/USD has declined around ten cents in the last 24 months (from 75c to 65c)^{iv}, largely due to US interest rates being higher than Australia's. Given this, most respondents predict the trend to continue downwards or remain the same, which is in line with most pundits' expectations.

BUSINESS PERFORMANCE INDICATORS

For the following indices, 33 is the minimum score, 100 is neutral, 166 is the highest possible score.



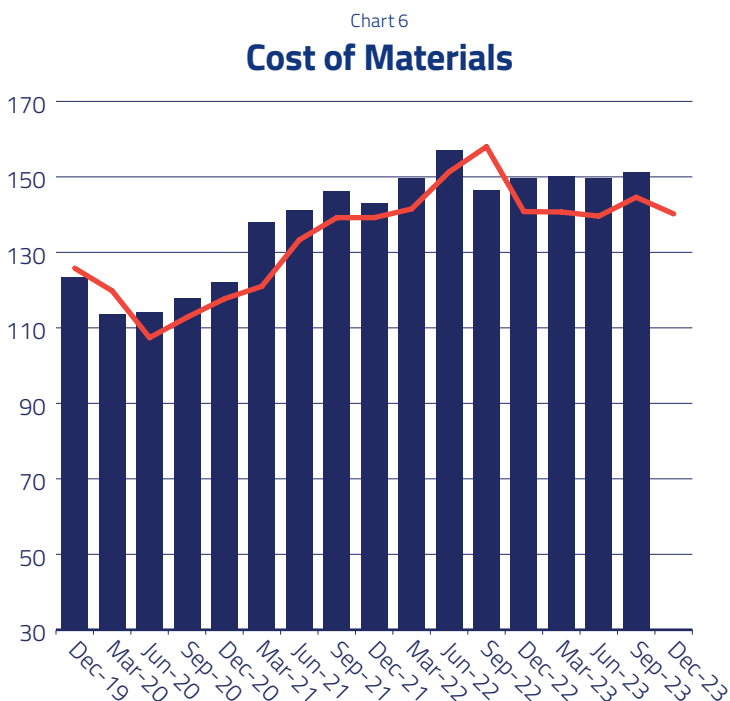
■ Profitability Index
— Expected Profitability Index

87.3 pts

Profitability Index for the
September quarter 2023

91.6 pts

expected for the December
quarter 2023



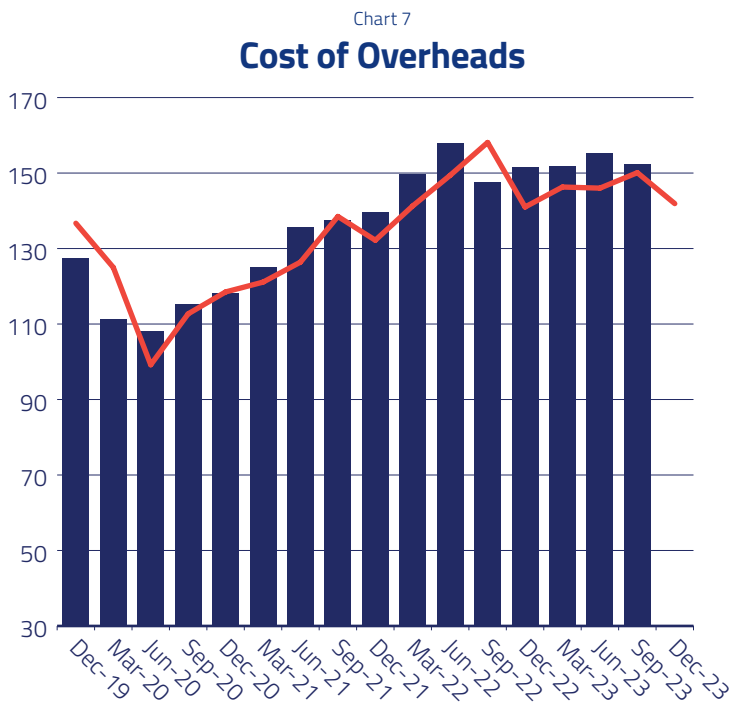
■ Cost of Materials Index
— Expected Cost of Materials Index

151.1 pts

Cost of Materials Index for the
September quarter 2023

140.2 pts

expected for the December
quarter 2023



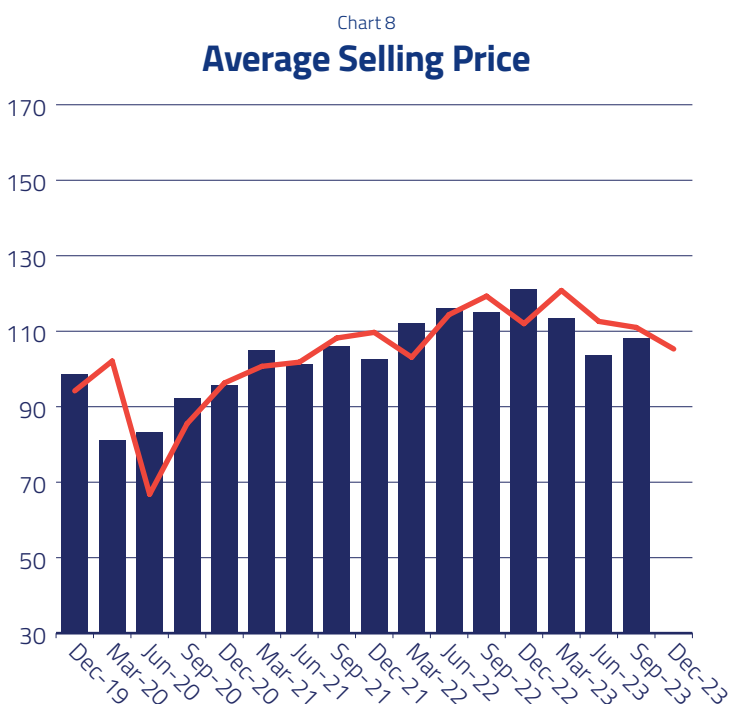
■ Cost of Overheads Index
— Expected Cost of Overheads Index

152.3 pts
Cost of Overheads Index for the
September quarter 2023

141.9 pts
expected for the December
quarter 2023

Increases in business costs has been a recurrent theme for some time – with both *Cost of Materials* and *Cost of Overheads* indices recently reaching multi-decade highs. Potentially more concerning is the fact that actual costs have repeatedly landed well above what was expected. Even anticipated cost increases like major hikes in retail energy prices^v and borrowing costs have come in higher than expected.

Although respondents expect both *Cost of Materials* and *Cost of Overheads* to decline next quarter, the overall relief will likely be minimal as these indices will remain well above neutral.



■ Average Selling Price Index
— Expected Average Selling Price Index

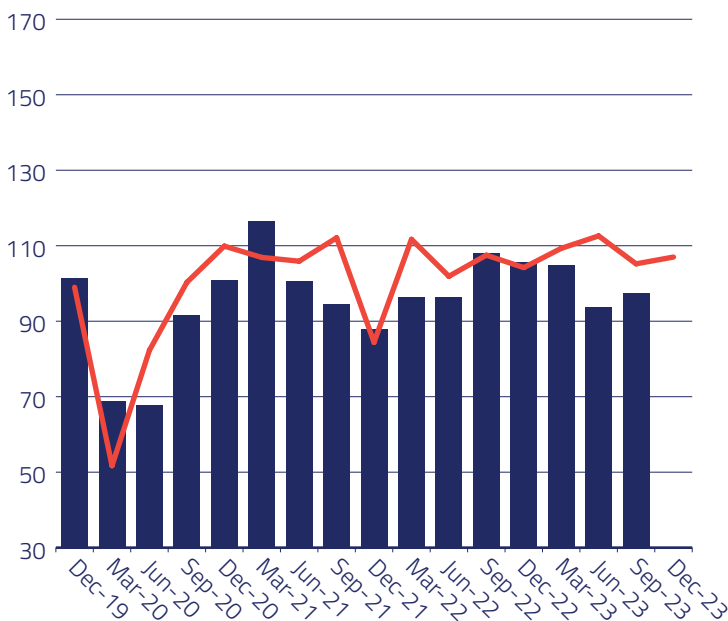
108.1 pts
Average Selling Price Index for
the September quarter 2023

105.3 pts
expected for the December
quarter 2023

A common theme of survey respondents was the shrinking disposable income and purchasing power of their customers. While three consecutive quarters of expected and real *Average Selling Price* deceleration for businesses may be promising for consumers feeling the pinch of inflation, falling revenues can become a real concern for businesses. Similarly, the *Orders Received* chart below shows three consecutive quarters of lower activity than expected. The significant discrepancies in the last two quarters are further evidence of a slowdown in prices.

Chart 9

Orders Received



■ Orders Received Index
— Expected Orders Received Index

97.4 pts

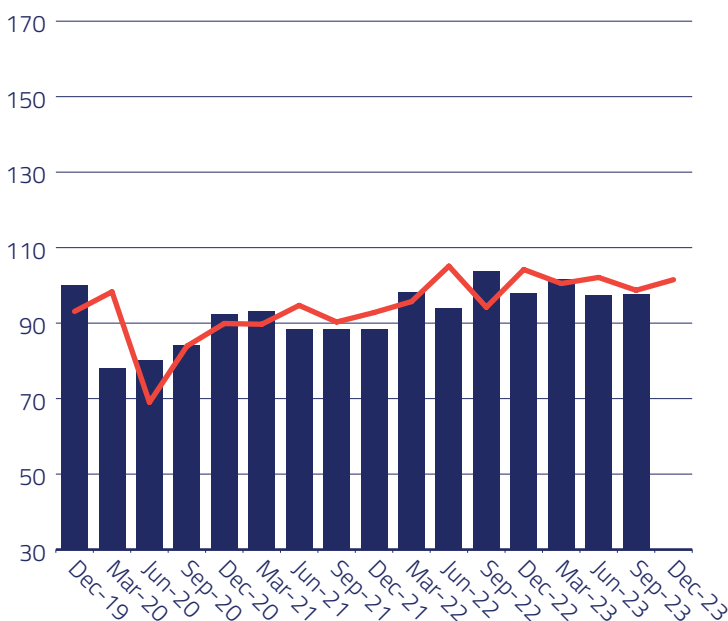
Orders Received Index for the September quarter 2023

107.0 pts

expected for the December quarter 2023

Chart 10

Export Sales



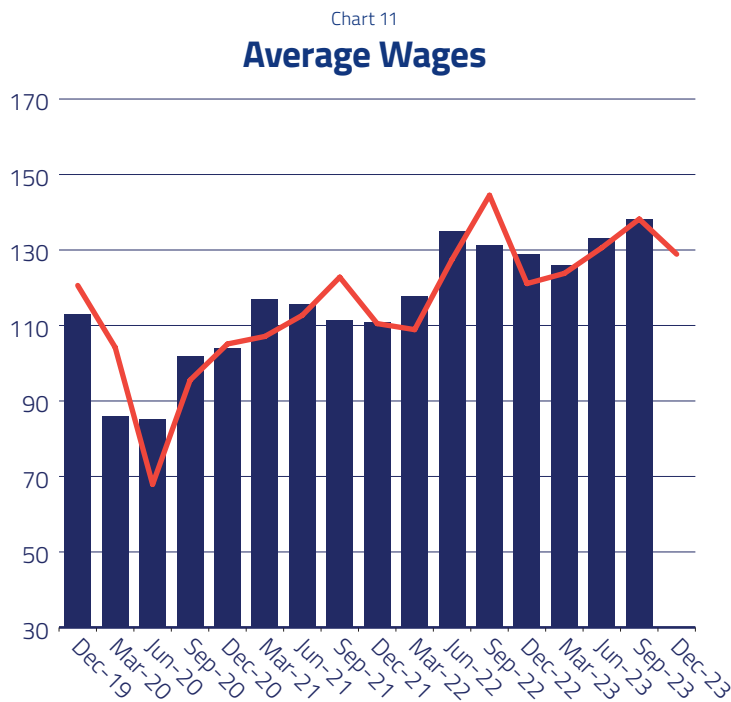
■ Export Sales Index
— Expected Export Sales Index

97.8 pts

Export Sales Index for the September quarter 2023

101.5 pts

expected for the December quarter 2023



■ Average Wages Index
— Expected Average Wages Index

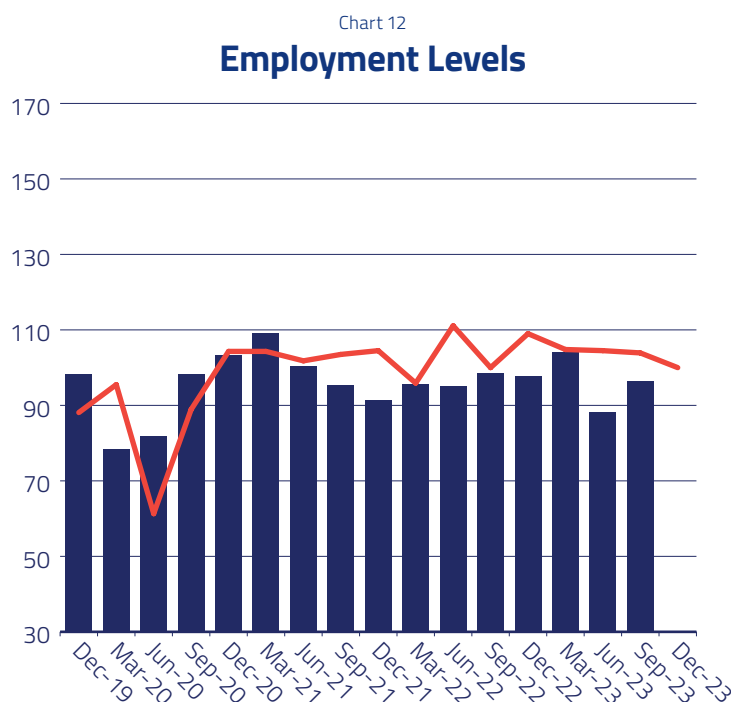
138.3 pts

Average Wages Index for the
September quarter 2023

128.9 pts

expected for the December
quarter 2023

South Australia continues to experience record low unemployment and strong wage growth. The *Average Wages Index* has risen an extraordinary 53.2 points since the depths of the pandemic and 26.8 points in the last two years. A reduced expectation for average wages in the upcoming quarter is an indication of slowing wage growth in line with decelerating inflation figures, especially if unemployment rises as some expect.



■ Employment Levels Index
— Expected Employment Levels Index

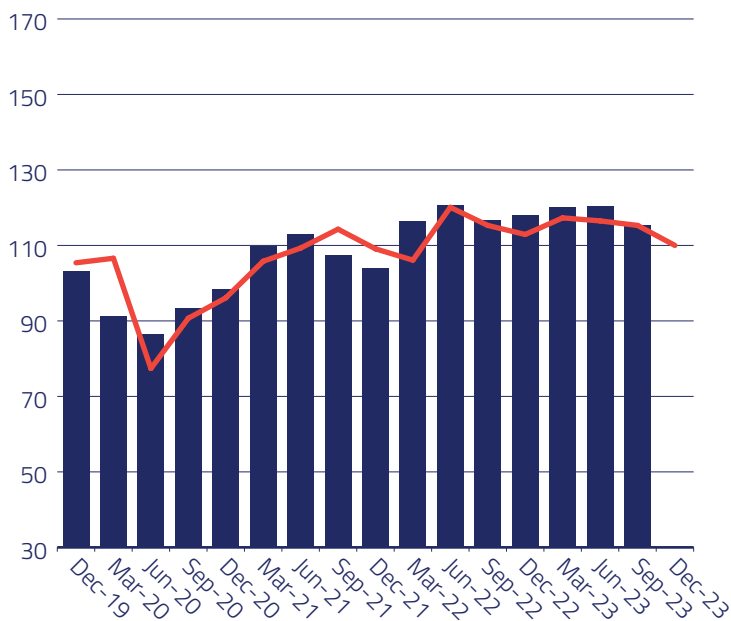
96.5 pts

Employment Levels Index for
the September quarter 2023

100.0 pts

expected for the December
quarter 2023

Chart 13

Training Expenditure

- Training Expenditure Index
- Expected Training Expenditure Index

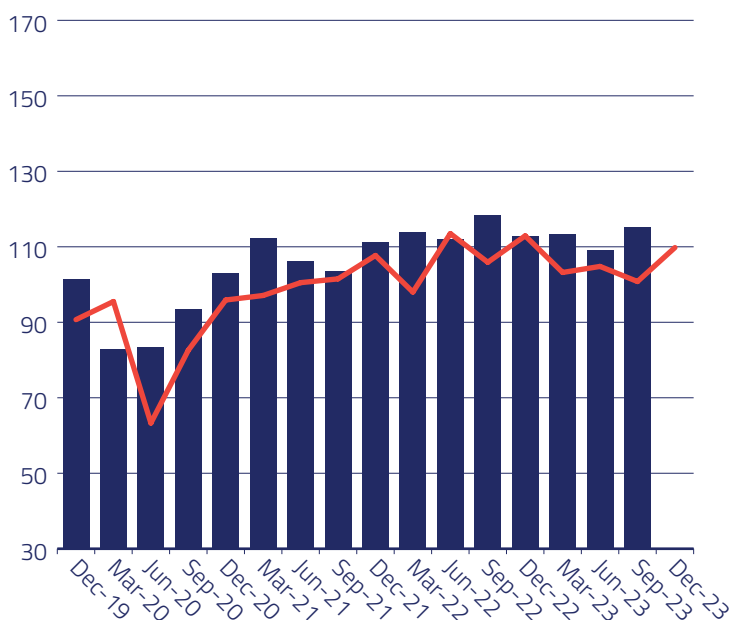
115.5 pts

Training Expenditure Index for the September quarter 2023

110.0 pts

expected for the December quarter 2023

Chart 14

Overtime Worked

- Overtime Worked Index
- Expected Overtime Worked Index

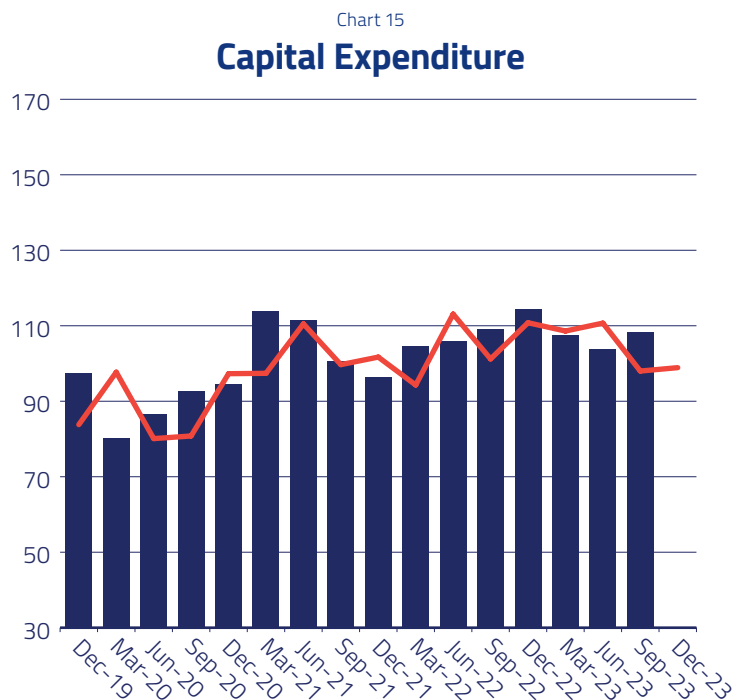
115.1 pts

Overtime Worked Index for the September quarter 2023

109.8 pts

expected for the December quarter 2023

The last three quarters have seen more overtime worked than anticipated. Additionally, the upward trend in this index in the last three years illustrates the competitiveness of the South Australian labour market and associated staffing issues facing businesses.



■ Capital Expenditure Index
— Expected Capital Expenditure Index

108.3 pts

Capital Expenditure Index for the September quarter 2023

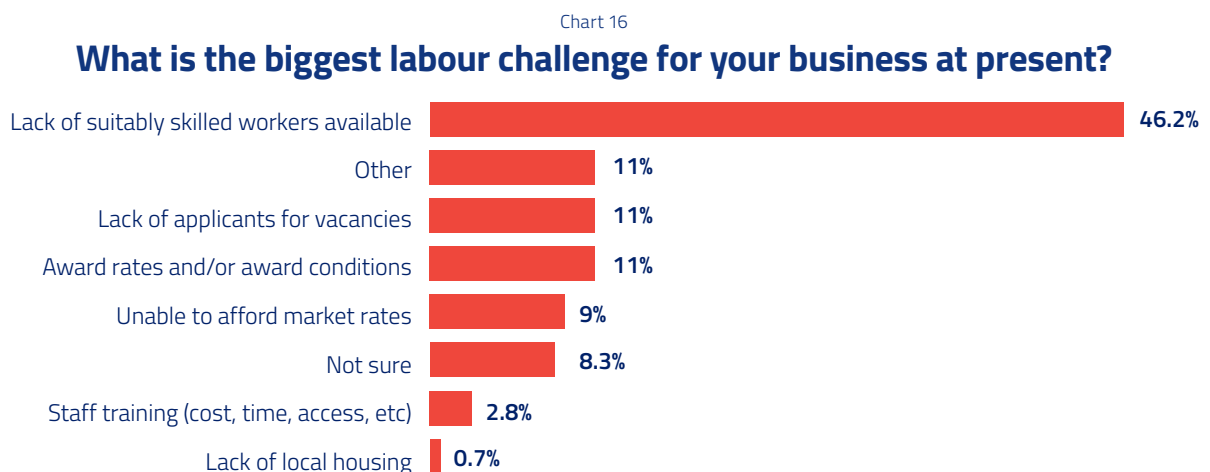
98.8 pts

expected for the December quarter 2023

THE LABOUR MARKET

This quarter survey found that:

- 55.2% of businesses are currently experiencing labour shortages
- Access to labour was by far the most prominent issue inhibiting business growth, selected by 47% of respondents
- A lack of suitably skilled workers available was cited by 46% of respondents as their most prominent labour challenge, coming in first place
- Staff/skills shortages was the third most frequently cited issue keeping business operators awake at night



Felt most keenly in the health, trades, and construction industries and in regional areas, this issue has been vexing South Australian businesses for a long time with no easy fix.

Comments on the South Australian labour market

The struggle to find skilled staff is the worst we have experienced in our 12 years in business and [we] cannot see the turning point of relief in this area.

Construction, 1-19 employees

People and skills will be the challenge for the foreseeable future and with effectively full employment (unemployment only at 3.7%) how do we keep our good people and help develop those who need it.

Education and Training, 200+ employees

The whole industry is screaming out for qualified trades people.

Manufacturing, 50-99 employees

Roof plumbers have a MASSIVE shortage. It is something we really need to address as an industry.

Construction, 1-19 employees

More young people need to be encouraged to enter the construction industry.

Construction, 1-19 employees

Regional housing is a major problem for business in the regions. Potential employees are hesitant to come and work if they are unable to find suitable housing at affordable prices.

Agricultural, Forestry and Fishing, 50-99 employees

Due to Covid, it feels like the market is now overpaying both in wages and in conditions such as working from home etc. It has swung the market in favour of employees which is having an adverse reaction on costs

Manufacturing, 1-19 employees

Lack of qualified tradespeople is holding back development and causing inflation.

Unknown

IR changes are creating confusion and uncertainty and therefore will challenge business in the way they engage short term labour.

Unknown

We hear other business with these issues, but we don't seem to struggle to find good staff when we need them. We do however offer flexibility where a lot of business still seem to be stuck on conventional / pre-covid hours which don't seem to be favoured by good staff any longer.

Public Administration and Safety, 1-19 employees

While the shortages are easing, we still experience a lack of skilled workers in some trades and less incentive to employ apprentices and trainees from the Federal government is unhelpful.

Electricity, Gas, Water and Waste Services, 1-19 employees

COSTS OF DOING BUSINESS

We have collated data from the last 20 years of surveys and the findings reveal the striking extent of recent cost increases. While business input costs seldom decrease, over the last couple of years respondents have seen their costs shift from relatively consistent to constantly increasing.

Chart 17

How have your costs of materials changed in the last three months?

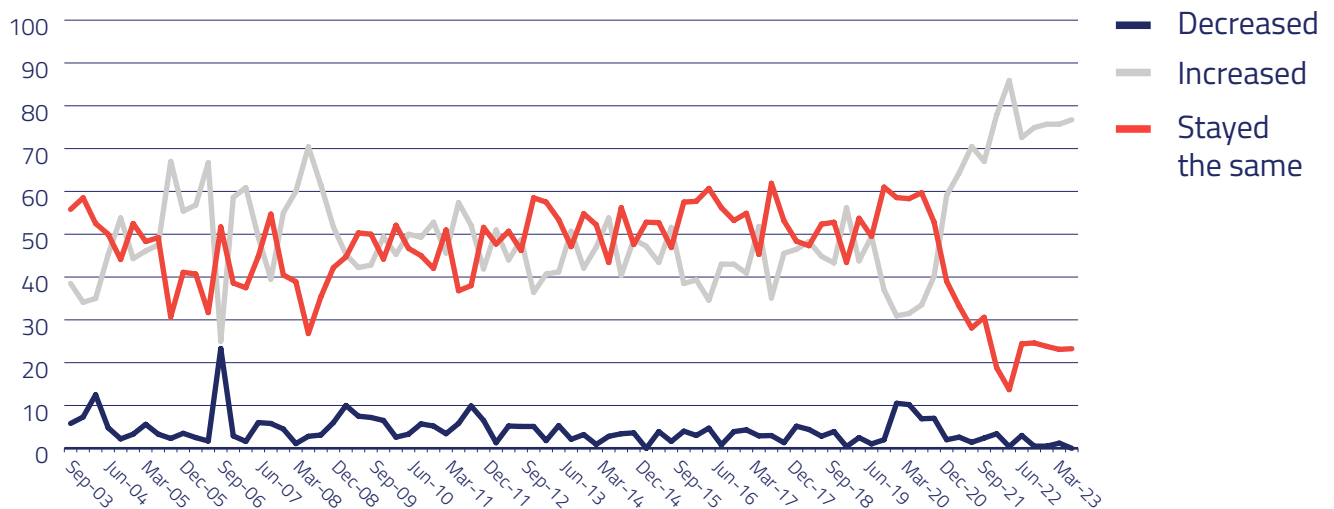
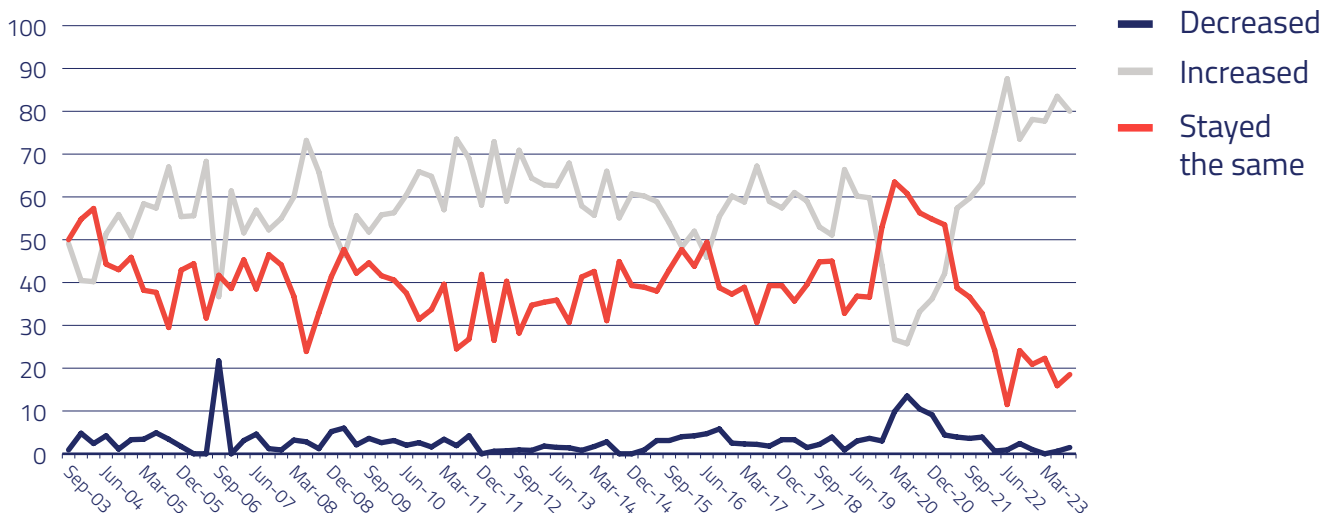


Chart 18

How have your costs of overheads changed in the last three months?



INSURANCE

While long-term price increases have been well documented in wages, electricity and rents, similar experiences have been observed in insurance markets – another essential business cost. The 2023 Vero SME Insurance Index found 47% of businesses have changed some aspects of their coverage in response to rising costs in the last couple of years^{vi}, and many businesses being ‘underinsured’ is becoming an increasing concern^{vii}.

Just 5.5% of respondents said their insurance premiums had not changed since 2020. Every other respondent said theirs had either increased moderately (43%) or significantly (51.6%). Not one respondent reported their insurance premium costs as having declined.

Access to insurance cover itself is encouraging, with a vast majority of businesses (80.5%) having no problem obtaining coverage. There is concern though for the 18.8% who have had problems obtaining insurance cover since 2020. Many respondents commented that professional indemnity insurance is the most problematic for their business, irrespective of industry and noted some growing hesitancy of the insurance industry to provide coverage. Other types of insurance repeatedly cited as problematic included cyber and public liability.

Comments on Insurance

Pre Covid thru to 2022 insurance had been approx \$5k per annum. The 2022 renewal for our staging and marquee liability insurance increased by 504% (industry wide not us specific) - 2023 renewal is up another 50% - annual premium is now \$36000 and that is just staging and marquees without any other insurance factored.

Events, 1-19 employees

The re-insurers have become a lot more demanding with regards to the insured remedying identified risk issues. If not, the premium will rise a lot or cover not available.

Agricultural, Forestry and Fishing, 50-99 employees

We haven't had a problem obtaining the insurance, our issue is that we don't get many options to negotiate a premium. There are only 1 or 2 underwriters willing to provide cover. Main increases have been on Cyber, Management, Trade Credit & Return to Work.

Manufacturing, 20-49 employees

Premiums went up by over 30%, at the same time the cover provided reduced.

Health Care and Social Assistance, 200+ employees

We are going to be cutting some insurance and assuming more risk because our premiums are just too high to maintain currently. They are by far our biggest expense.

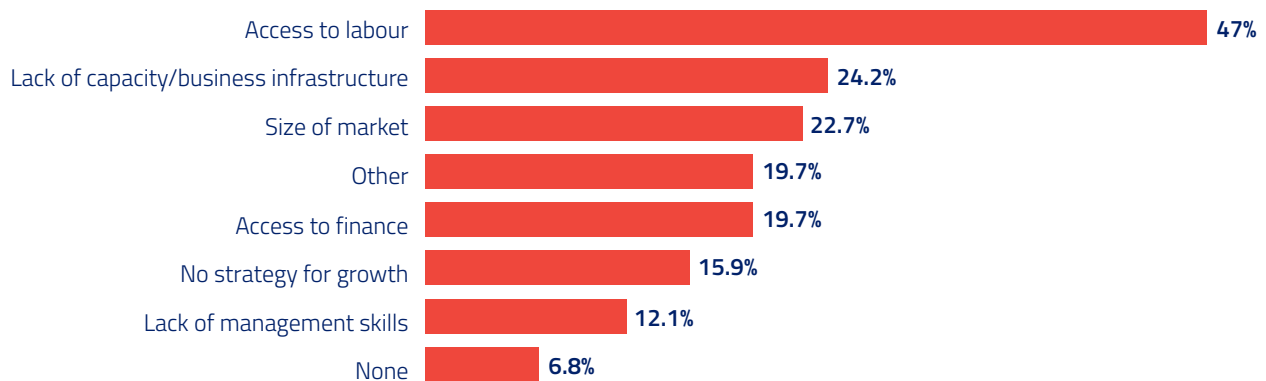
Unknown

BUSINESS GROWTH

Access to labour was again the most prominent constraint to South Australian businesses growing at the rate they wish to with 47% of respondents selecting this. Lack of capacity/business infrastructure (24.2%) and Size of market (22.7%) ranked second and third. Interestingly, Access to finance is a constraint to growth for 19.7% of businesses, yet only recorded against 9.9% of respondents as an issue keeping them awake at night. Of those who selected Other, the most common reason given was 'current economic conditions', with others specifying 'industry specific trends' as an impediment to desired growth.

Chart 19

What are the constraints to achieving your desired level of business growth?



More than two thirds of respondents are looking to grow their business organically in the next 1-2 years, rather than through mergers and acquisitions or a combination of both.

Chart 20

How are you planning to grow your business in the next 1-2 years?

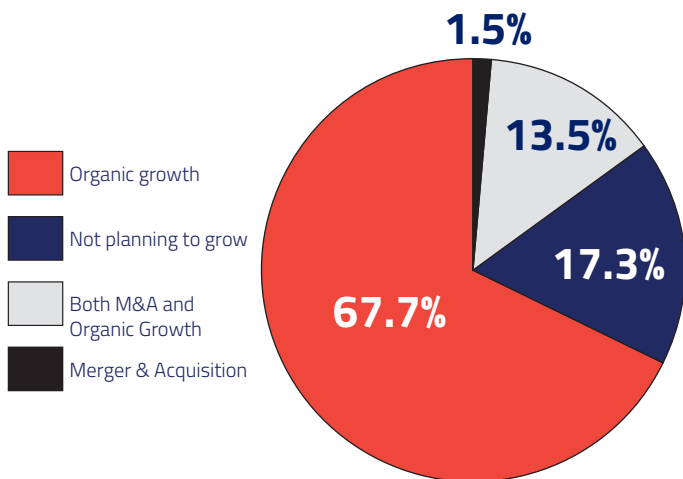


Chart 21

Do you expect to see business consolidation within your industry in the next 1-2 years?

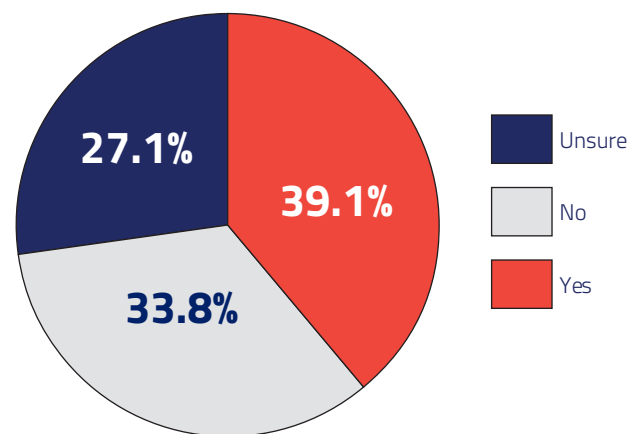
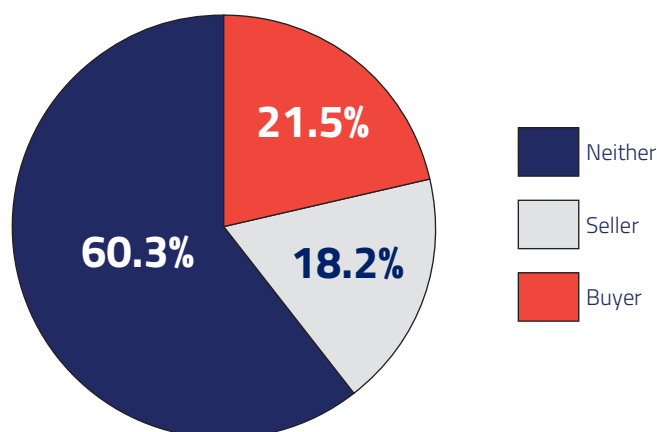


Chart 22

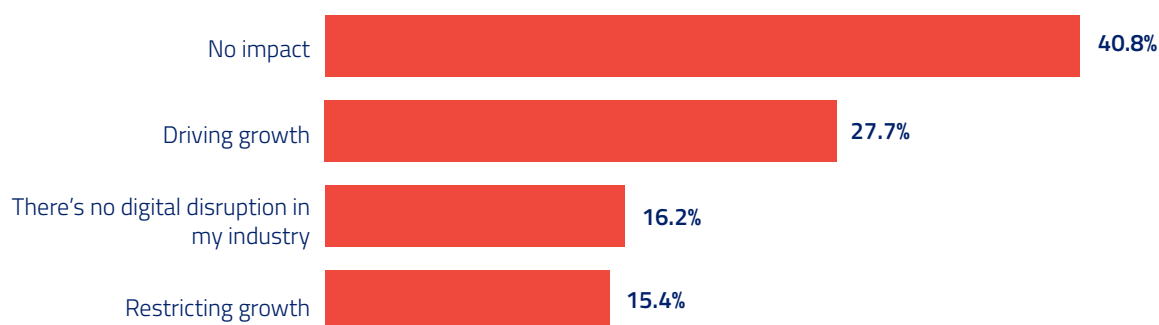
If yes, are you likely to be a buyer or seller?



DIGITAL DISRUPTION

Chart 23

What impact is digital disruption having in your industry?



While the recent onset of artificial intelligence and large language models have brought about significant commentary and predictions, South Australian businesses in the aggregate are relatively unmoved at present by digital disruption. There seems to be significant disparity in the impact which may reflect the sheer speed of change in this space and its degree of use or uptake across various sectors.


Comments on Digital Disruption

Digital is opening up new markets and service delivery options that were not previously viable, especially in regional SA

Education and Training, 200+ employees

Our industry is typically non-tech savvy. New tech is finally being adopted as we sit in the late majority category of tech adoption.

Construction, 50-99 employees



AI and AR are strong in the marketing and design sector. While there is good to it there is bad too. Early adopters are understanding the bad and promoting how to navigate this. Digital applications that support in-house teams to deliver outcomes is also increasing, putting pressure on the existing design agencies to play in the sandpit and connect with it to create an offering or try to compete against it.

Professional, Scientific and Technical Services, 20-49 employees

Our industry is crying out for suitable technology to drive productivity and client experience improvements but there are too few options

Financial and Insurance Services, 20-49 employees

(We're seeing improved) directed comms, more sophisticated individualised EDMs, info sharing, improved accuracy and transaction automation.

Manufacturing, 50-99 employees



CARE RESPONSIBILITIES & GENDER EQUITY

Encouragingly, 53.2% of businesses are making substantial efforts or pledging comprehensive commitments in their organisation to accommodate their employees' family and other care responsibilities. A further 30.1% of businesses have made moderate or small efforts to do so, bringing the total percentage of businesses taking some form of action to 83.3%.

The South Australian participation rate has recently hovered around record highs^{viii}. This evolution in workplace engagement is also likely to be a result of employers needing to become more flexible and accommodating in order to attract and retain staff in a tight employment market.

Despite external data and studies suggesting otherwise, it is clear that the majority of businesses do not see gender discrimination or equity issues as being relevant in their business. We also note that survey results include businesses of any size and sole traders and many small businesses may choose "Not applicable" based on their size .

Chart 24

To what extent is your organisation accommodating your employees' care responsibilities?

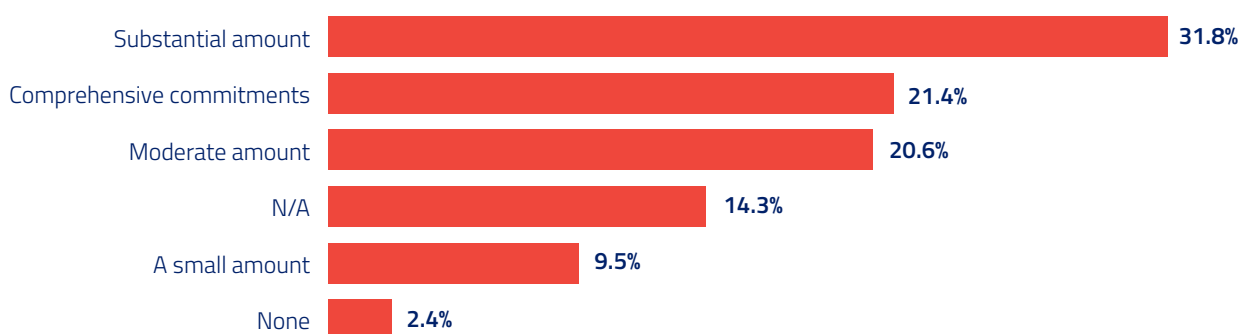


Chart 25

To what extent is your workplace acting to reduce gender discrimination?

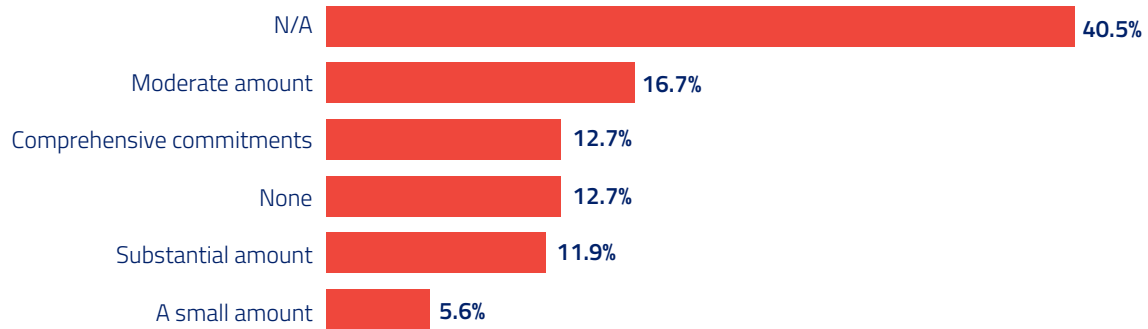
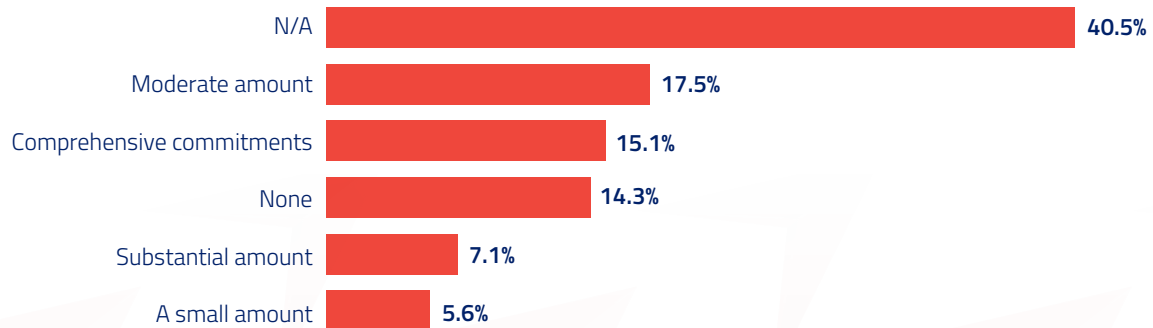


Chart 26

To what extent is your organisation acting to address gender balances across all organisational levels?





A WORD FROM WILLIAM BUCK

Jamie McKeough

Chair Aust/NZ and Managing Director William Buck Australia

What role can businesses play in solving the skills crisis?

For years, but more acutely in the last 2 years, businesses across South Australia have been crying out for skilled workers.

The shortage isn't confined to a single sector; it permeates through most sectors including the professions, aged care, manufacturing, cybersecurity, tourism, defence, and space industries to name a few.

Conversations with our clients consistently echo the same sentiment - finding suitably skilled workers remains one of their most significant challenges.

The results from the Business SA, William Buck Survey of Business Expectations for the September 2023 quarter affirm this reality. 55% of businesses are experiencing labour shortages - overwhelmingly 46% of respondents identified the

scarcity of adequately skilled workers as a major hurdle they face today. It is also seen by businesses as the number one constraint to long-term growth.

Digging through the survey's raw data offered an insight into the struggles employers are grappling with. The results show the larger the business, the larger the issue.

Undeniably, there is a shortage of skilled workers. However, if businesses continue waiting for the perfect candidates or offering unsustainable salaries in pursuit of what might be considered 'unicorn recruits,' they'll likely face a continuing wait or risk financial strain by paying above market rates.

It looks like the labour market fundamentals are not going to change any time soon – so this is a long-term issue for business. The biggest pool within a short labour market will remain school leavers, inexperienced graduates, and unskilled workers.

Business owners need to acknowledge their pivotal role in creating a skilled workforce for the state. We all know that skilling workers within a business is a combination of on-the-job and structured training, that is often complimented by a qualification (degree, Vet, apprenticeship). I encourage businesses to rethink and possibly recalibrate their role in upskilling workers – to think about drawing from this unskilled or inexperienced pool, and then about how, and how quickly, they are training them.

For decades, William Buck has been recruiting fresh university graduates and training them to become the skilled workers our firm needs. Many of the progressive businesses we work with are increasing their commitment to taking on unskilled or inexperienced workers and fast-tracking their training through a combination of better and more structured in-house training, and better on-the-job training. It's not new, it's just changing the proportions of who and where, and the speed, the upskilling comes from – how much from educational institutions and how much from businesses themselves.

Well-educated graduates are seeking opportunities and can infuse organisations with fresh energy and innovative ideas. VET qualifications will support a range of industries suffering a shortage of skills.

Their lower expected wages, owing to minimal industry experience, can also provide relief for businesses dealing with inflated overheads and declining sales, as also highlighted in this quarter's survey of business expectations. A more rapid upskilling contributes to greater productivity which all businesses seek – and the nation needs it!

It is not solely the responsibility of business owners to mend the skills crisis. State and Federal governments have a crucial role in creating pathways for VET and university students, incentivising employers to take on trainees, apprentices, and graduates directly or by Group Training Organisations. But more and more successful businesses are taking it upon themselves to play a greater role in solving their number one issue – a shortage of skilled workers – good on them! Creating their own centres of excellence, or learning academies, or simply re-deploying existing staff into designated training roles. I encourage others too.

Additionally, it's imperative that governments set policies to facilitate skilled migration to our state and to the sectors in most need. So too, establishing mechanisms to attract and accommodate short-term international workers interested in working in South Australia is so important.

I appreciate it won't be easy and I do understand that some businesses, in some industries, may not be in a position, or have the skills themselves to invest in graduates, apprentices, or unskilled workers. But for many, this type of thinking will result in a suitably skilled and thriving workforce.

By fostering an environment of collaboration across industries, along with concerted efforts from the government and the education sector, I am confident that we can make significant headway in addressing the ongoing skills shortage which looks set to be around for a while.

*The full results and economic analysis of this quarter's Business SA, William Buck survey of Business Expectations can be found at **business-sa.com/businessnow***



About Business SA



Business SA is SA's largest membership-based employer organisation, representing employers and business owners across 19 different industry sectors. Our purpose is to help you grow your enterprise and create a stronger South Australia.

Like you, we believe in the important roles that business and commerce play in creating a vibrant, dynamic and sustainable society.

We back the job makers and risk-takers.

We back the creators, the innovators and the entrepreneurs.

We back the people who chase their dreams, follow their passions and put it on the line.

We believe that businesses are the engine room of our economy. Businesses like yours generate new ideas, deliver new services and propel us forward. Businesses like yours create jobs, attract new investment and pay taxes.

Businesses like yours put food on tables and create wealth for many.

As the independent, representative voice for employers and business owners across South Australia, we want to create the best possible environment for you to succeed. We do this by providing you with knowledge, advice, connection and advocacy. We have been doing this for over 180 years, without fear or favour.

We're proud of our long history, and our sustainability is assured by our future-focus, our strong leadership and our intent to stay ahead of the pack. To serve you better, we constantly seek to answer that enduring question: 'what's next?'

If you are not already a member, please call or email our membership team on (08) 8300 0000 or email customerservice@business-sa.com

ENDNOTES

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