

# The Regional Voice 2024

Understanding regional  
South Australian Business



# From the CEO

The South Australian Business Chamber is pleased to present the results of its 2023-24 Regional Voice survey, the fourth installment since the inaugural study in 2016.

This is the most comprehensive survey of its kind for regional South Australian businesses. I wish to thank our network of Regional Chambers of Commerce whose collaboration played a key part in generating responses from regional businesses.

I'd like to also extend my thanks to all the businesses who participated in the survey and/or subsequent conversations. Their stories and personal insights add a richness and depth that goes beyond the data and I hope we have done them justice in this report and through our ongoing advocacy work.

It has been a challenging time for regional businesses in the last couple of years. All had to contend with the pandemic, labour shortages and high inflation, while others also bore the brunt of natural disasters which took both a professional and personal toll. For some, the opportunities that lay ahead in fields such as renewables and the energy transition provide a sense of optimism and potential, while others are still firmly focussed on navigating the here and now.

Three issues were consistently raised across the survey: labour costs, skills/labour availability and energy prices. 60% of businesses surveyed listed those issues as among the top 5 issues currently challenging their own business, and over 55% thought they were among the top 5 issues affecting businesses in their region.



The cost of labour and its availability is often linked and is a long-term trend that regional business has had to contend with, and there is no simple solution on the horizon.

Rarely does a conversation arise in a region about labour shortage without turning to the lack of housing. The survey showed how urgent addressing the housing shortage has become for business, with 48% stating it among the top 5 issues constraining growth in their region.

Of course, issues impacting business remain many and varied and this comprehensive report includes findings on business confidence, tax constraints, labour market challenges, insurance, and mental health.

I hope that you find it an informative and interesting read.

Andrew Kay  
CEO  
SA BUSINESS CHAMBER

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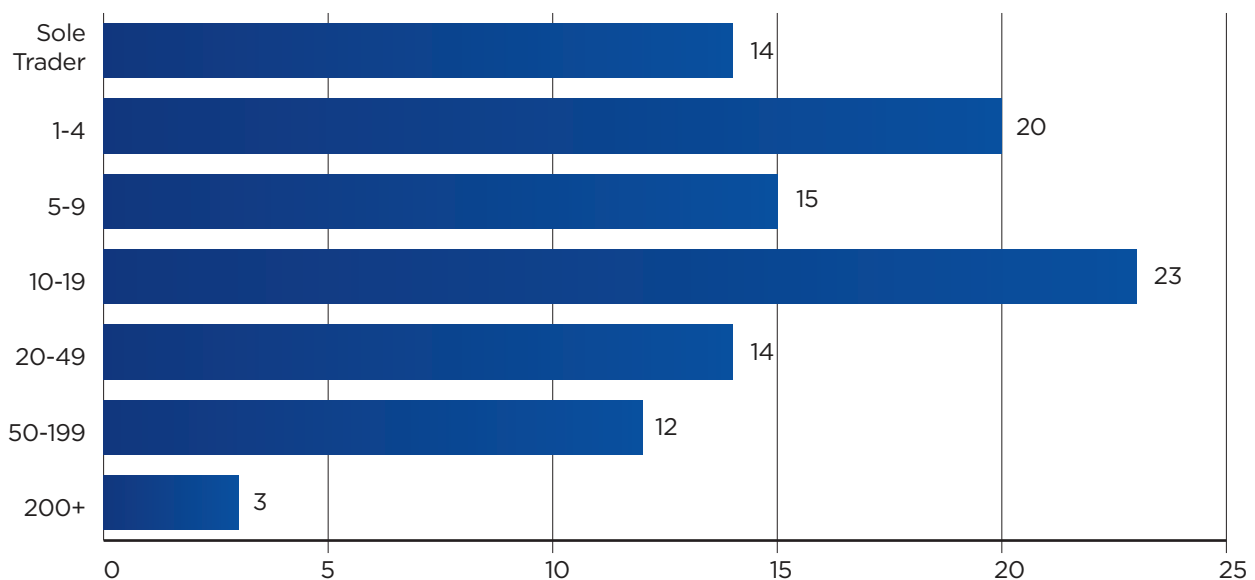
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# Business demographics

The Regional Voice survey was conducted at the end of 2023. Since then, we have spoken with respondents, visited several regions and conducted research to provide commentary on the results.

We have included more recent data from our statewide Survey of Business Expectations throughout the report to demonstrate regional business sentiment versus that of their metropolitan counterparts.

Chart 1  
**How many people does your business employ? (%)**



49 %

**of respondents  
employ fewer  
than 10 people.**

Small businesses figure prominently in the survey with 49% of respondents employing fewer than 10 people, whilst a small minority (15%) employ over 50 people.

This contrasts with our 2020 edition, where 69% of businesses employed fewer than 10 people and the most common sized business was 1-4 employees (30%). As with previous editions, the spread of industries represented is broad, with Agriculture, Forestry and Fishing the most prominent with 15% of respondents.

Chart 2  
**In What Industry Do You Operate? (%)**

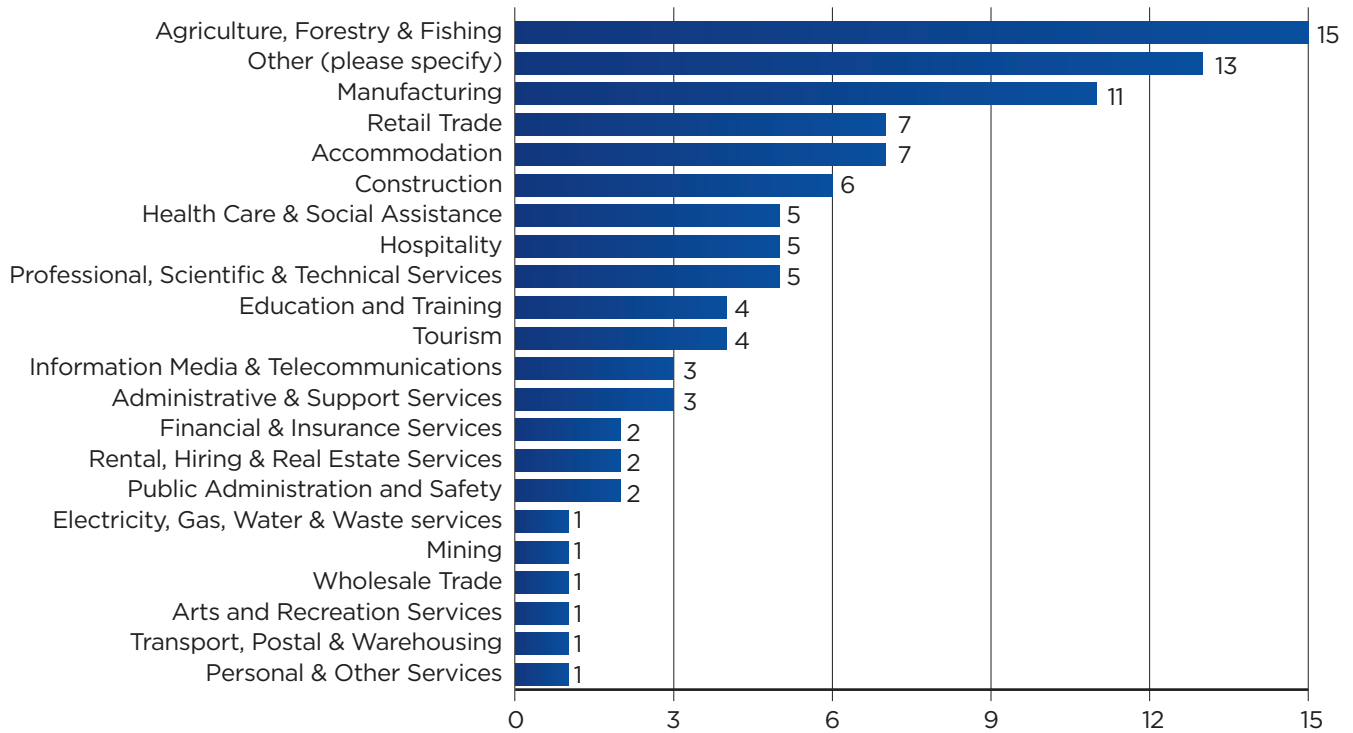
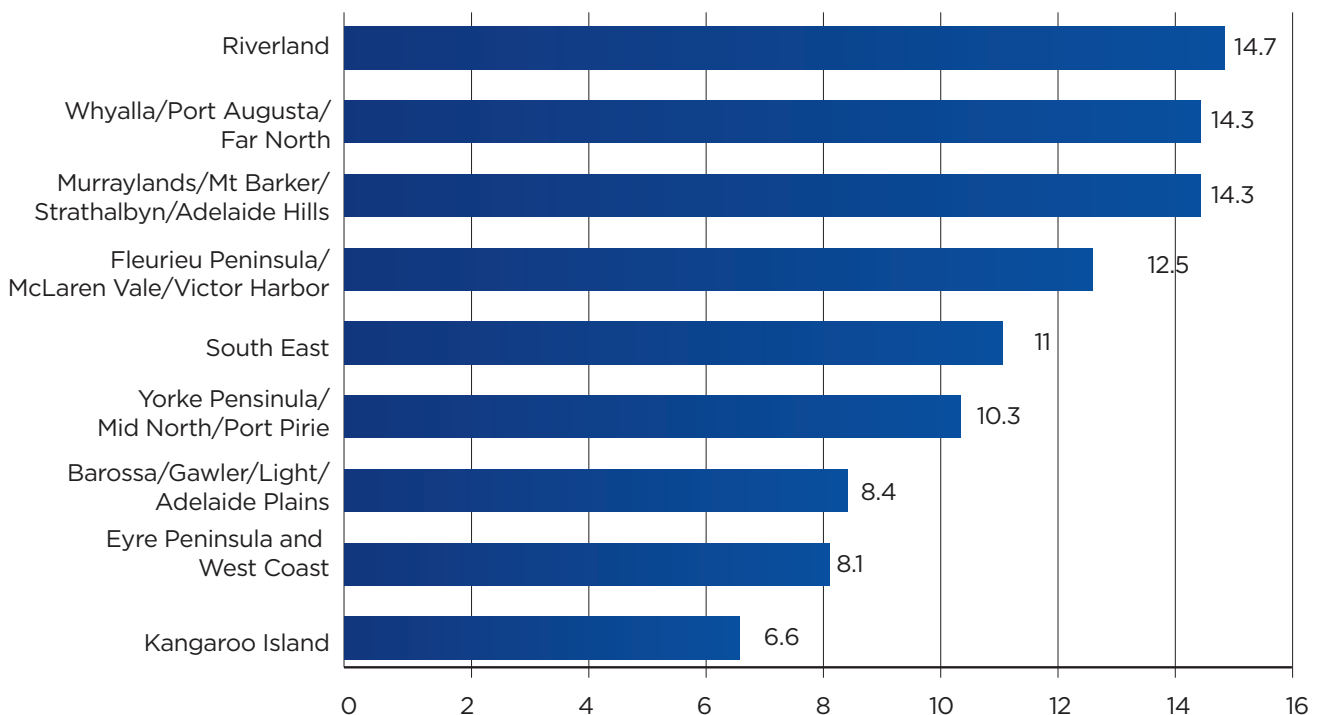


Chart 3  
**Percentage of Responses by Region**



# Regional economic/ business confidence

At time of surveying, South Australian economic confidence among regional SA employers sat at 91.2 points; well below neutral. Regional businesses have had to operate in a difficult environment in recent years with the *average* regional SA confidence sitting at 87.5 points over the last four years.

Regional business confidence in the Australian economy as a whole is even more pessimistic, registering just 81.3 points in this edition of Regional Voice. This disparity between confidence in the state economy and confidence in the national economy, is consistent with the response we have seen, in our quarterly Survey of Business Expectations since the June quarter of 2022.

**SA confidence:**

91.2 points

**National confidence:**

81.3 points

**For all indices, neutral is 100 points, the maximum is 166 and the minimum is 33.**

Chart 4  
**Economic Confidence**  
**Regional Voice Editions**

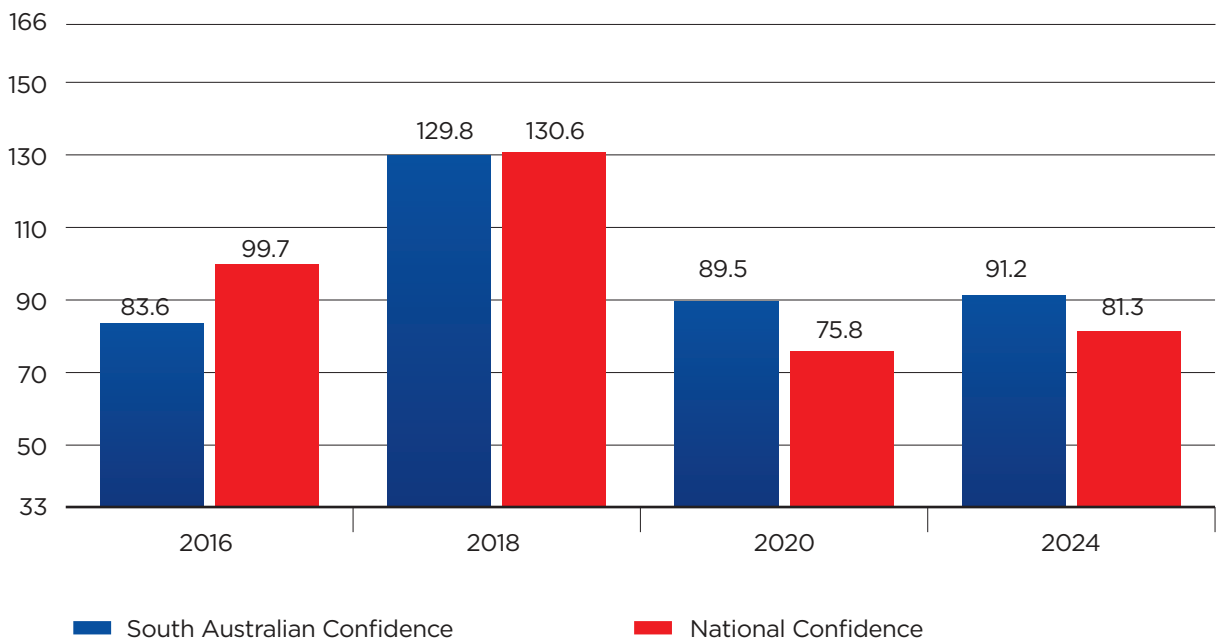


Chart 5  
**How do you expect the South Australian economy to perform over the next 12 months? (%)**

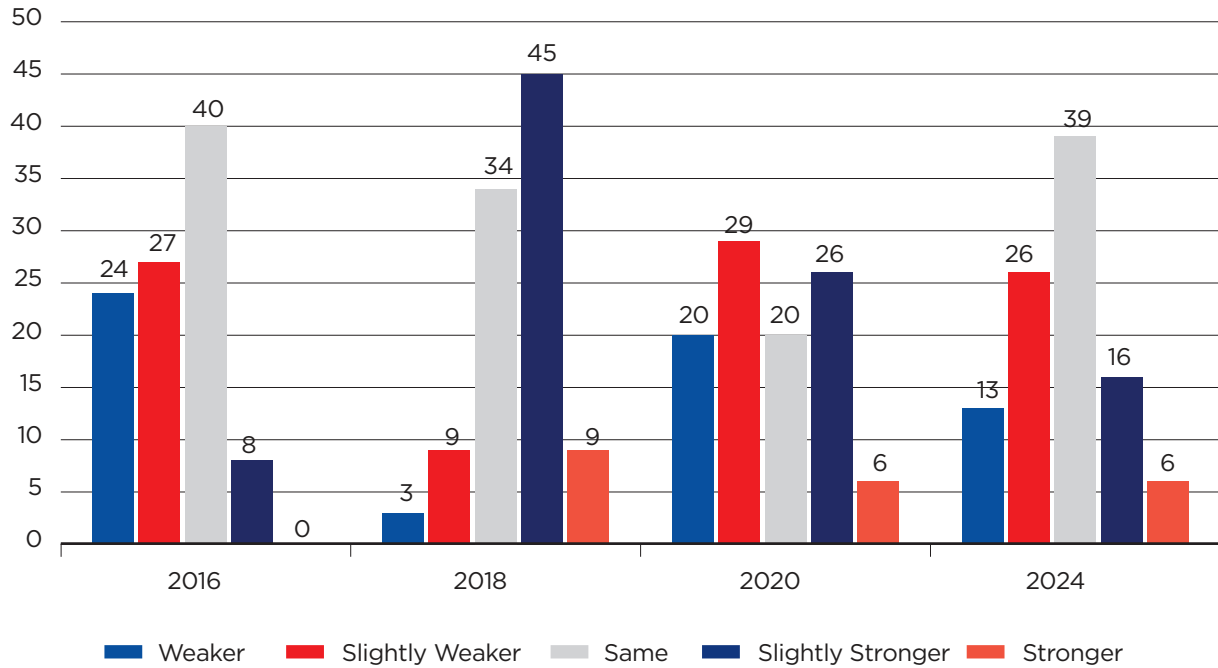


Chart 6  
**How do you expect the Australian economy to perform over the next 12 months? (%)**

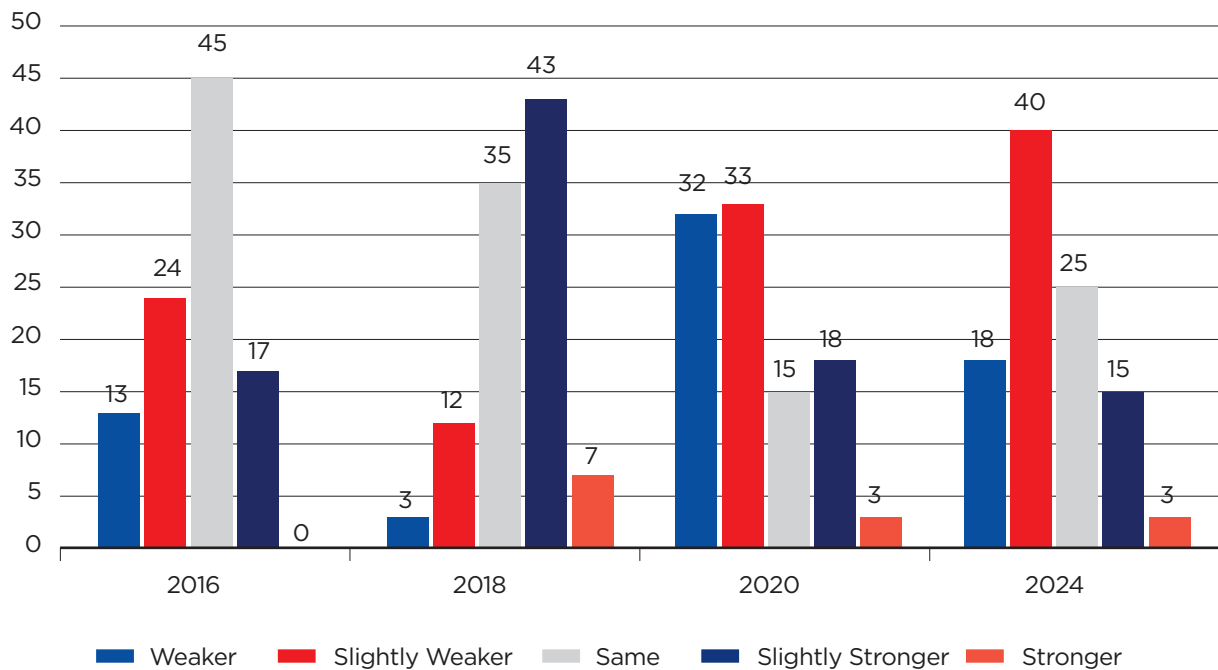


Chart 7  
**SA Confidence: Regional vs Metro**

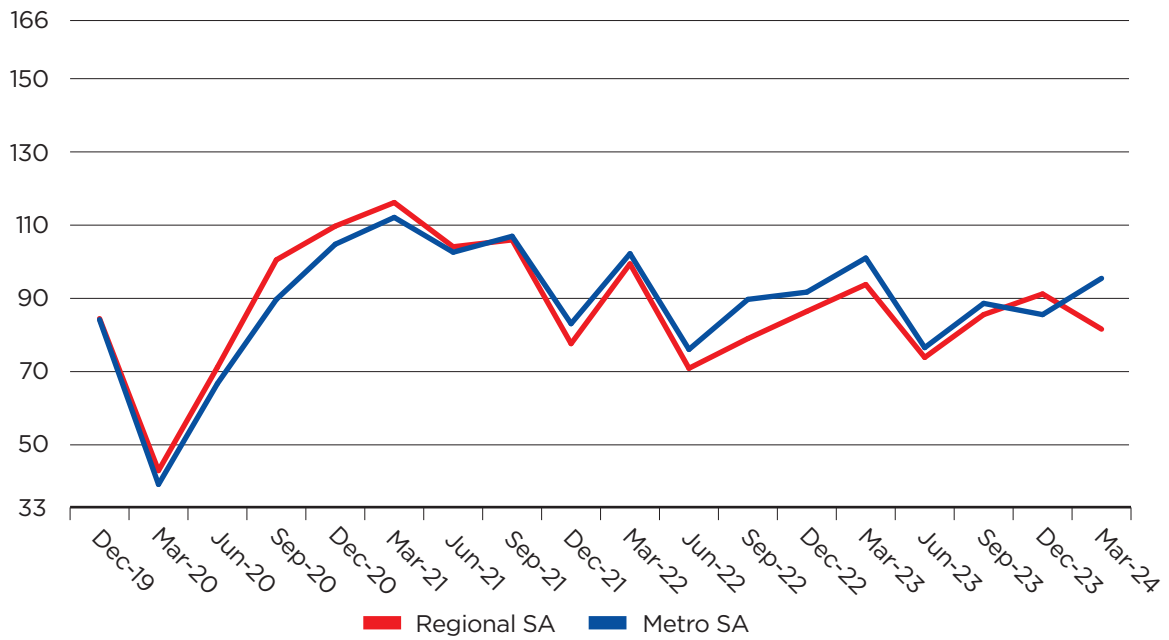
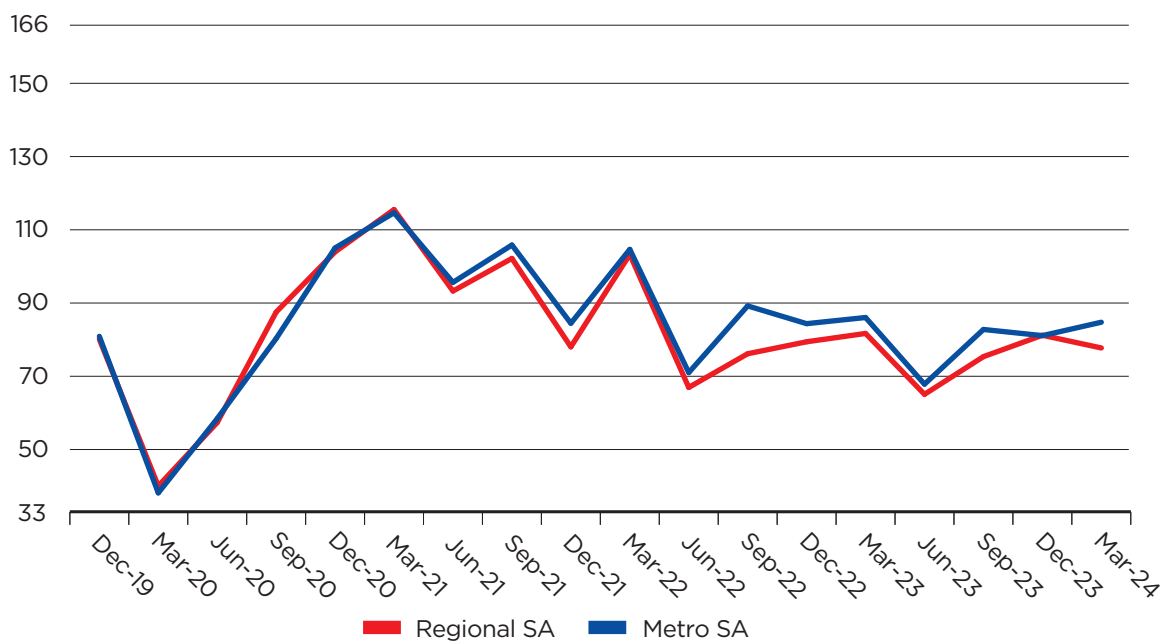


Chart 8  
**National Confidence: Regional vs Metro**



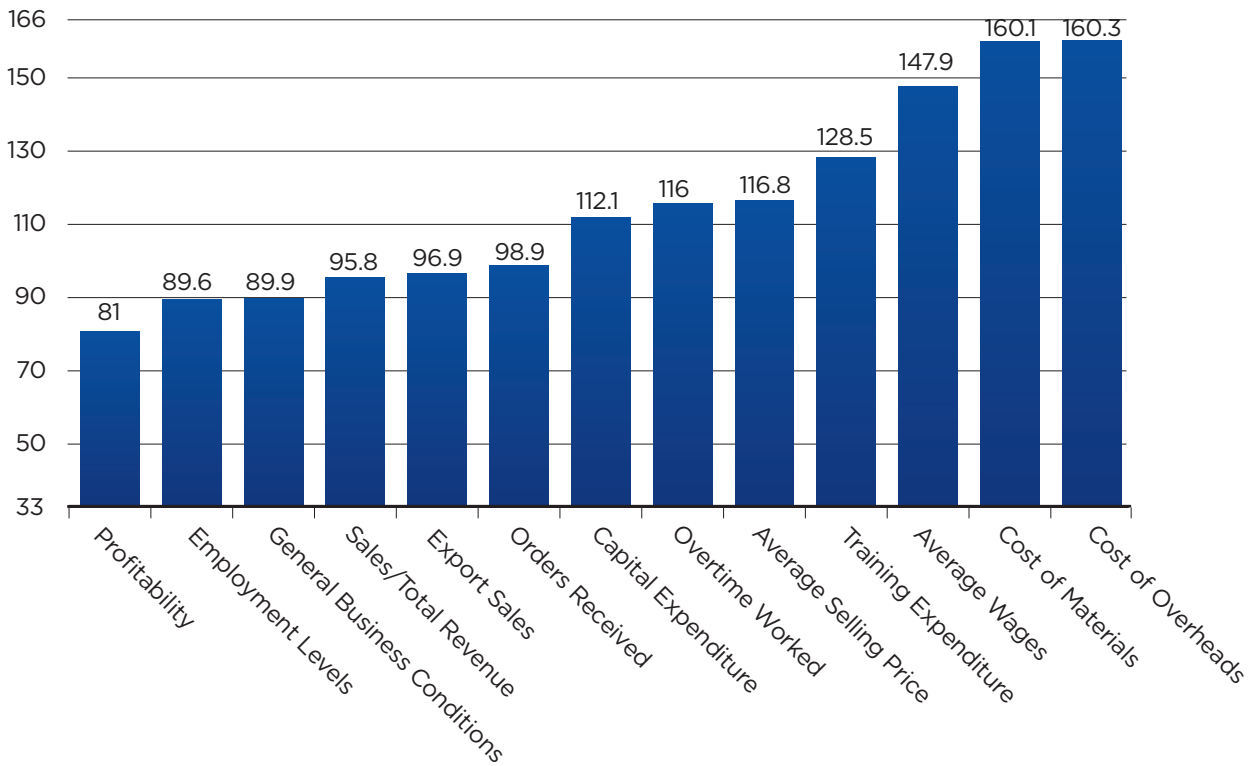


## Business conditions

Business conditions in regional South Australia were shown to be more favourable throughout the height of the COVID-19 pandemic than in Adelaide, with *general business conditions, total sales, profitability, and orders received* all sitting higher for regional businesses from June 2020 to December 2021. This trend changed during 2022 with conditions in Adelaide gaining strength and overtaking the regions before converging again in late 2023.

The following results are indices from the Regional Voice survey asking how different aspects of business have trended.

Chart 9  
Regional Voice Indices Results



## Business conditions in regional SA

were shown to be more favourable throughout the height of the COVID-19 pandemic than in Adelaide...

To show more detailed comparison over time, we have used data from our quarterly Survey of Business Expectations and segmented responses to highlight the differences between regional and metropolitan responses.

The recovery in conditions between March 2020 to 2021 reflects the (then) growing optimism as businesses became more experienced with COVID-19 conditions. Despite this, in the sixteen quarters recorded, regional businesses reported better than average business conditions only four times.

Charts - Pages 10 & 11.

Chart 10  
**General Business Conditions Index**

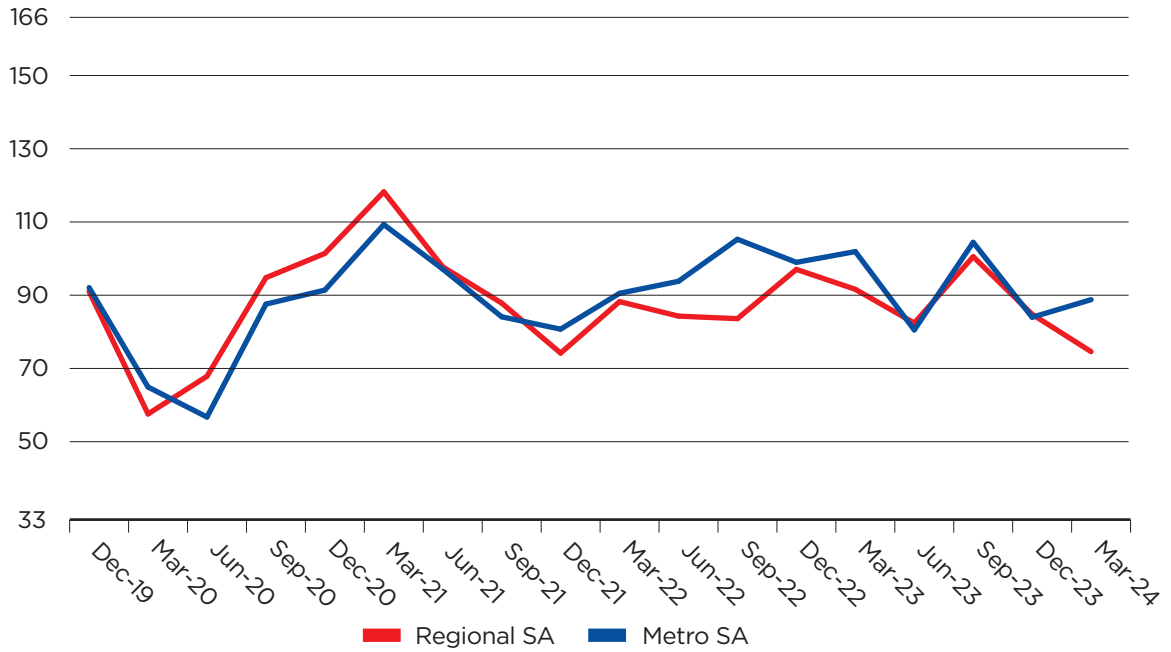


Chart 11  
**Total Sales/Revenue Index**

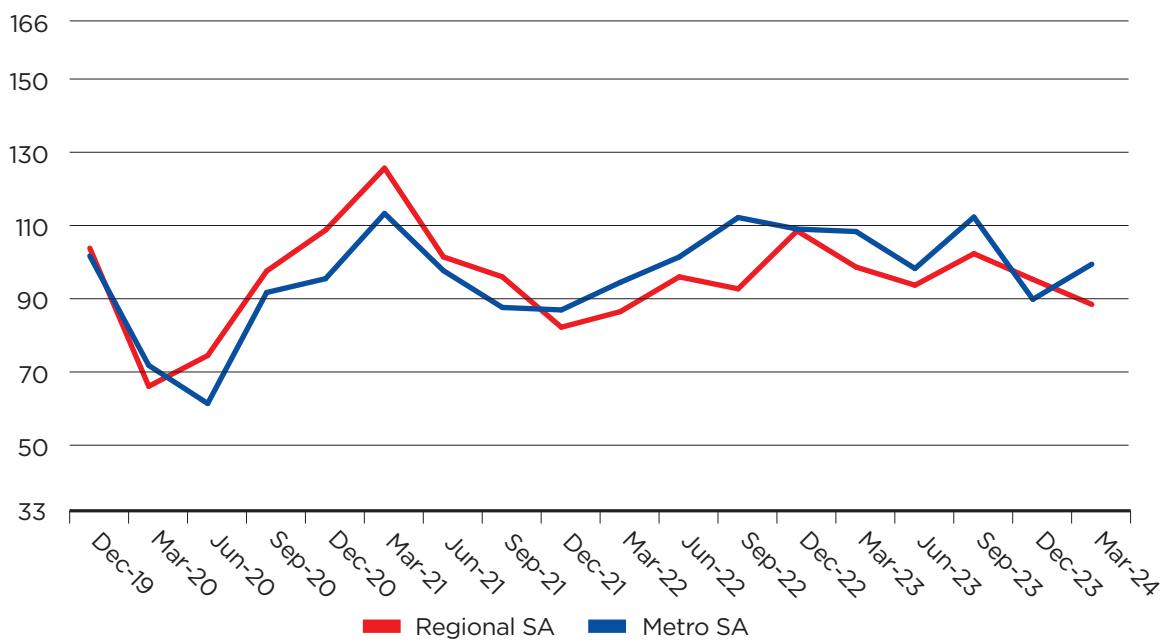


Chart 12  
Profitability Index

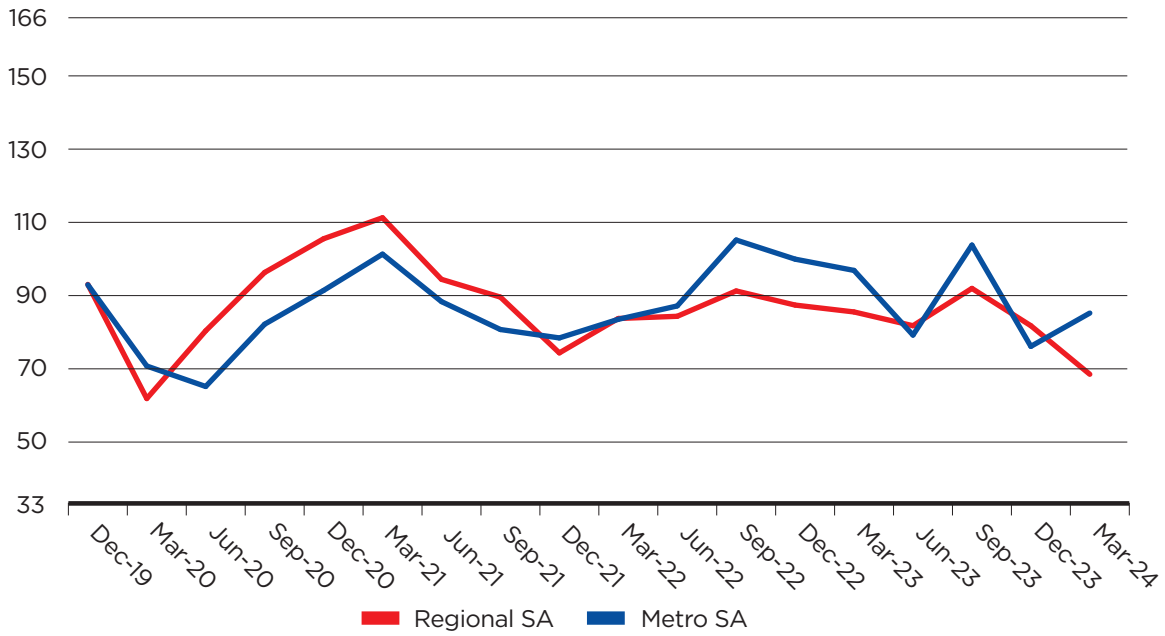


Chart 13  
Orders Received Index

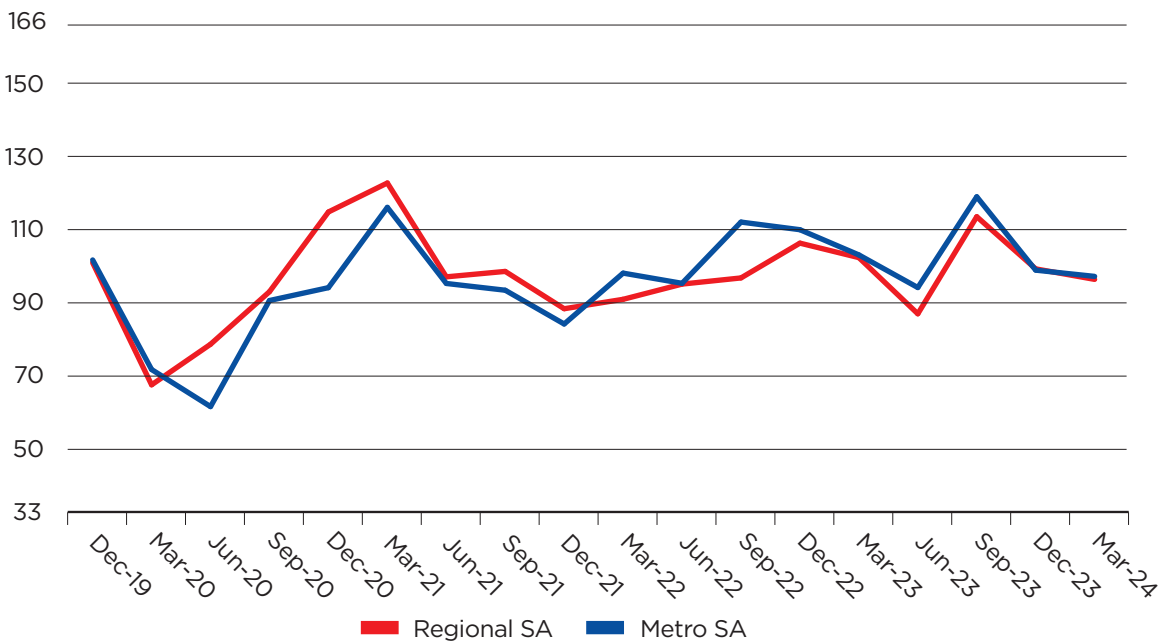


Chart 14  
**Cost of Materials Index**

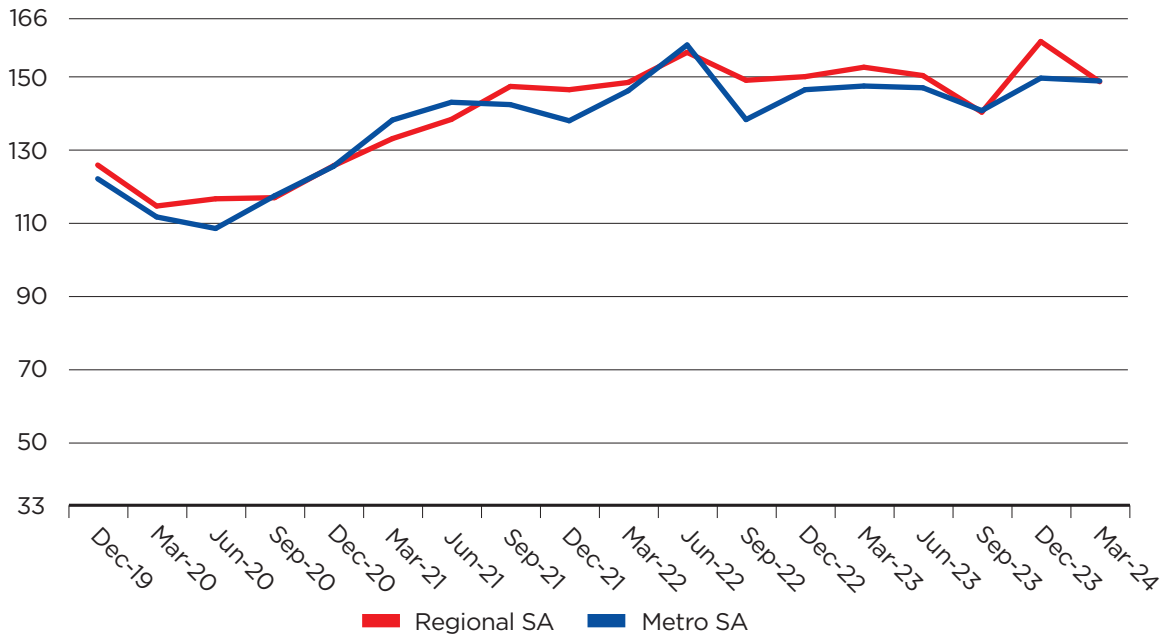


Chart 15  
**Cost of Overheads Index**

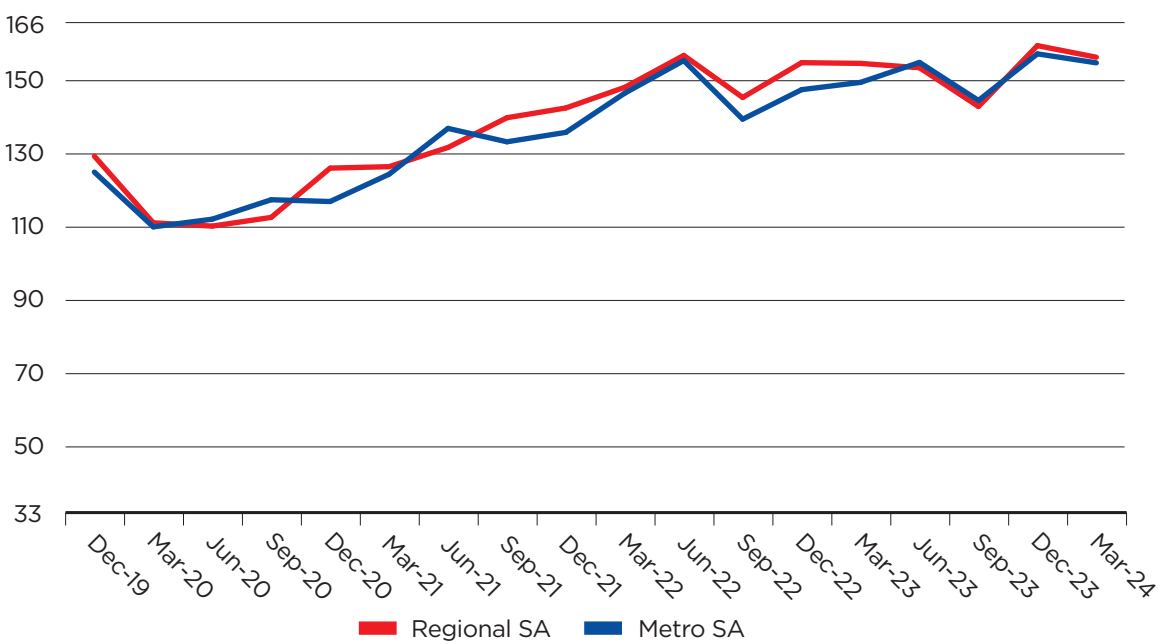
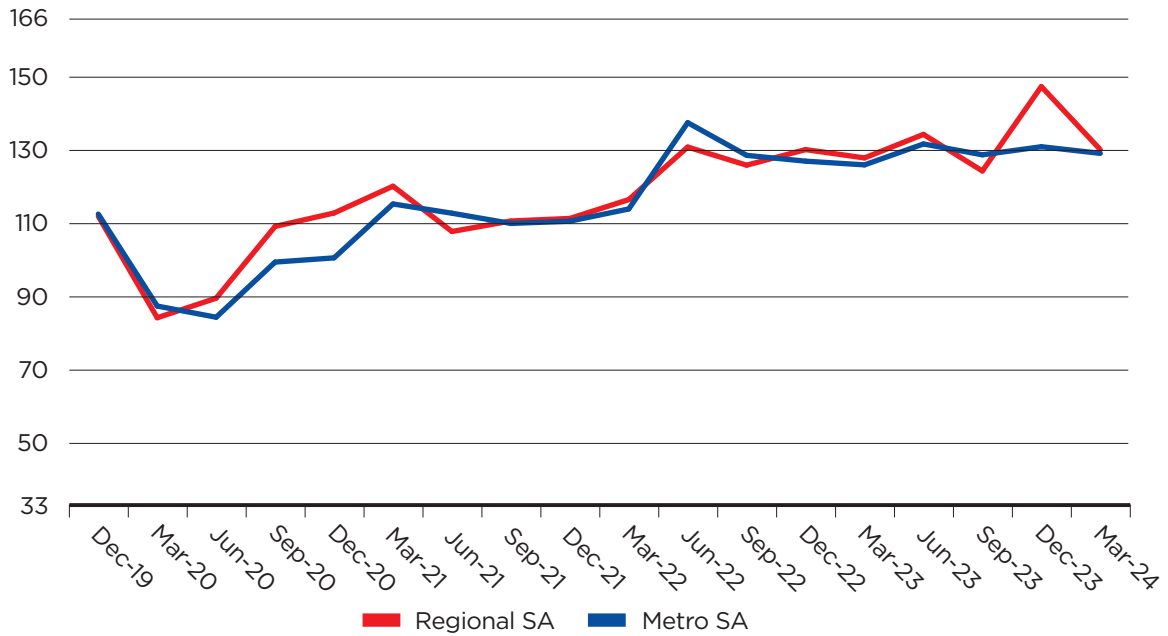


Chart 16  
Average Wages Index



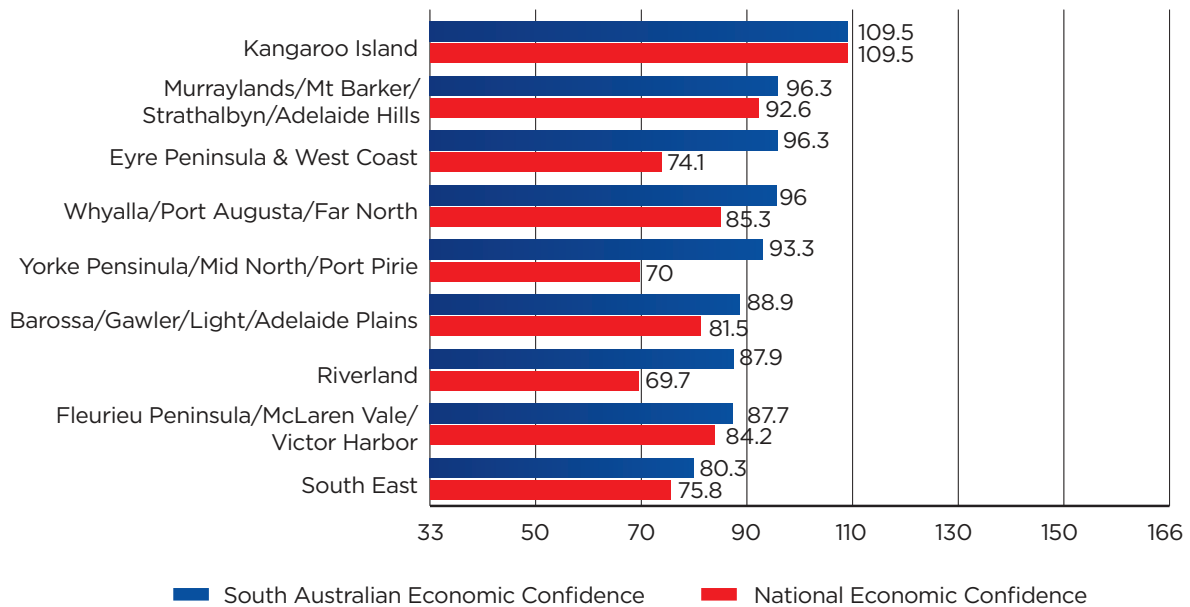
“ The price of materials has increased significantly. Whilst we pass most of the cost on to the customer it is a fine line when things start to become overpriced and drive down sales. ”

» Yorke Peninsula/Mid North/Port Pirie, Manufacturing, 5-9 employees.



Kangaroo Island - Southern Ocean Lodge - Photo: South Australian Tourism Commission

Chart 17  
Economic Confidence by Region



Only Kangaroo Island business operators showed positive economic confidence both state and nationwide. As has been consistent with recent surveys we have conducted, businesses are again more bullish on the near future of the state economy than they are of the national economy, though results are regrettably pessimistic overall.

The average score of SA Confidence across the different regions is 93 points. This is only 4.7 points higher than the results from our 2020 edition, which was run in the early stages of the pandemic.

Chart 18  
SA Economic Confidence

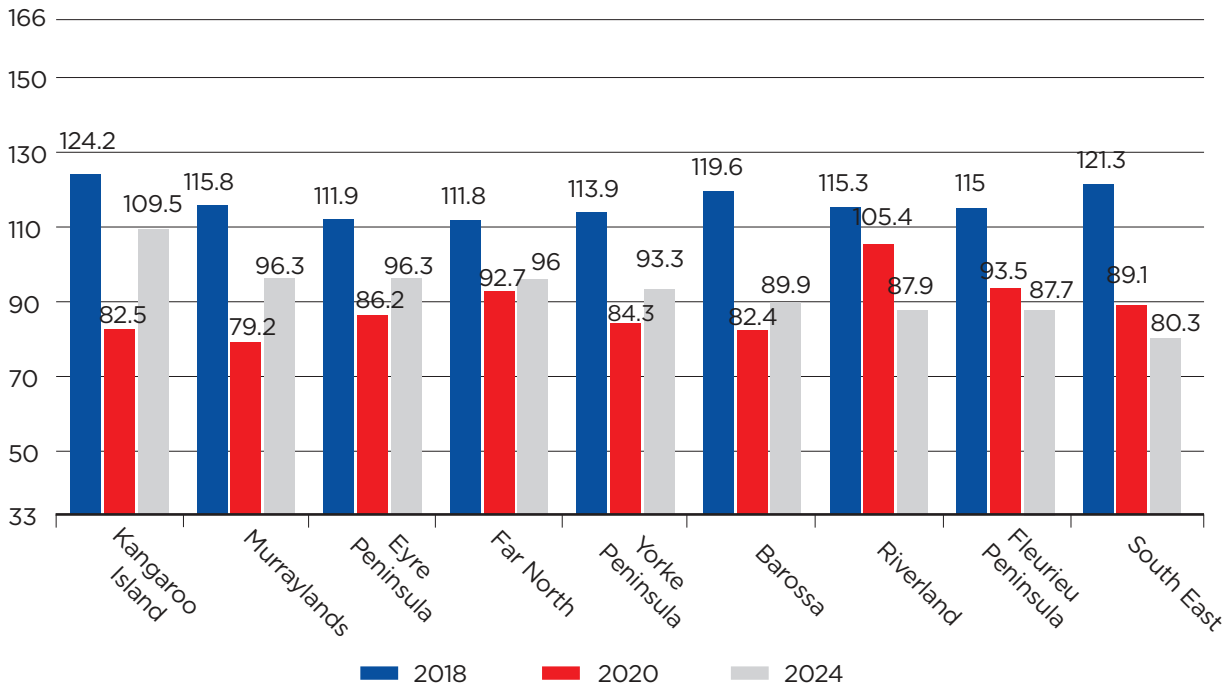
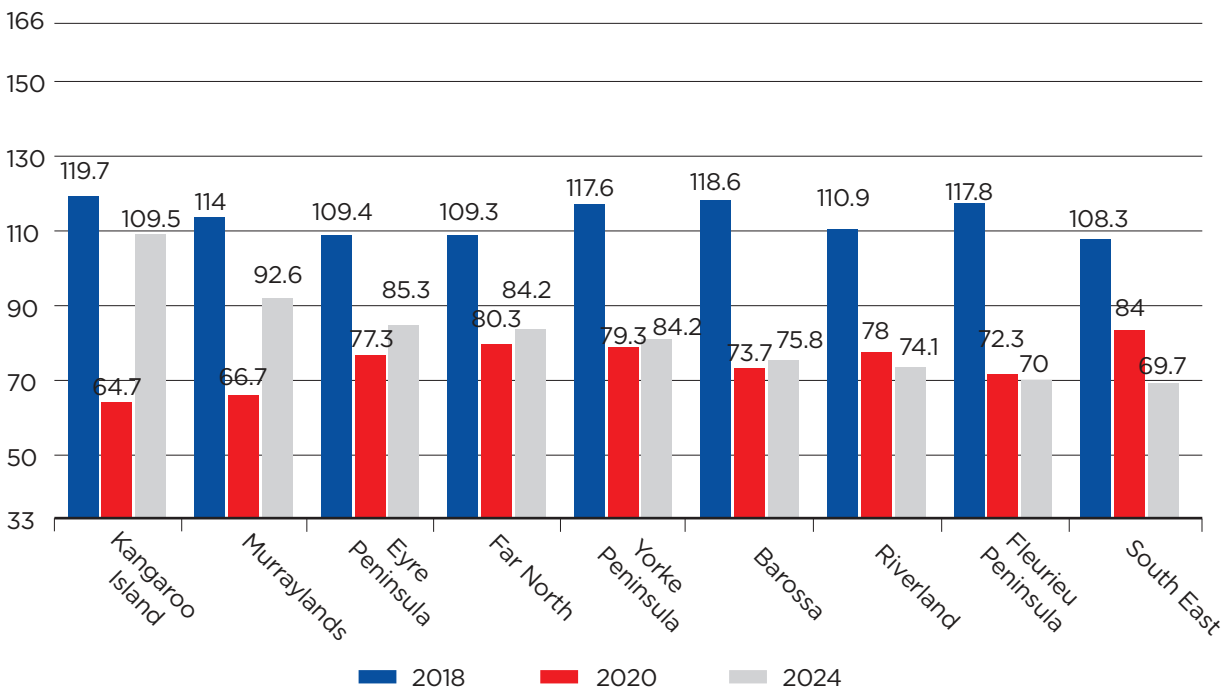


Chart 19  
National Economic Confidence



# Main issues facing my business

Chart 20  
Top 5 Issues Facing My Business (%)

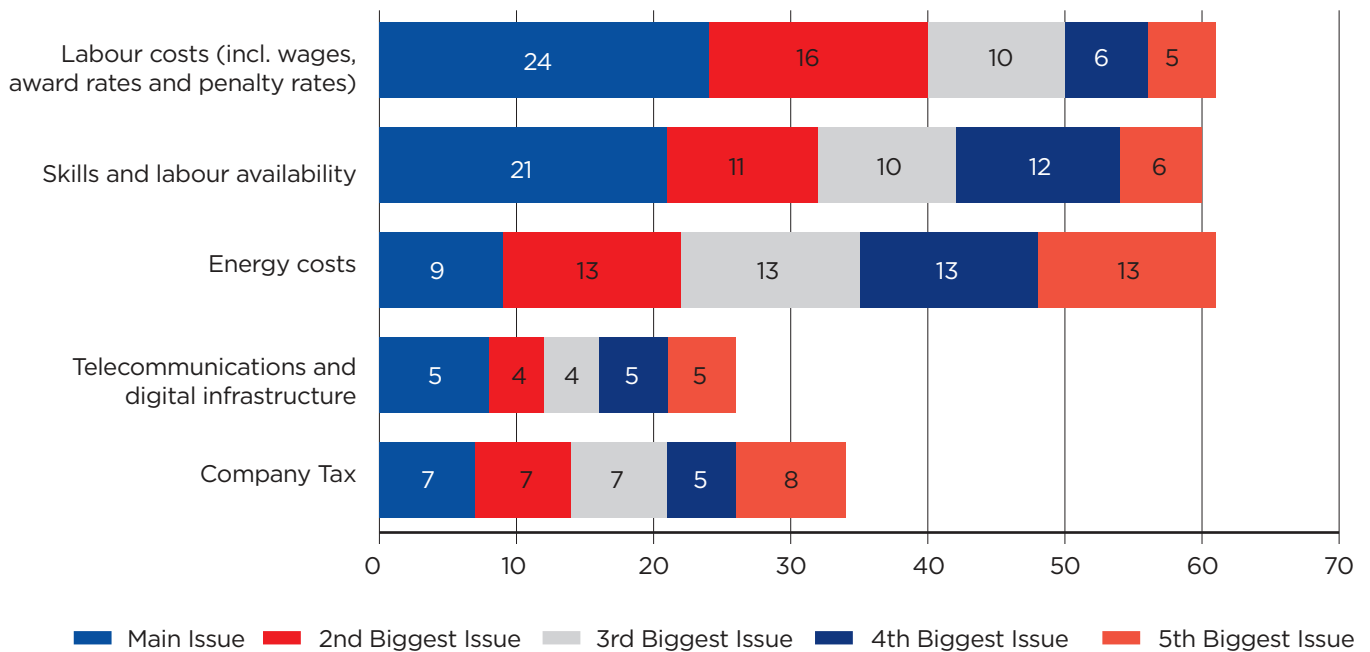
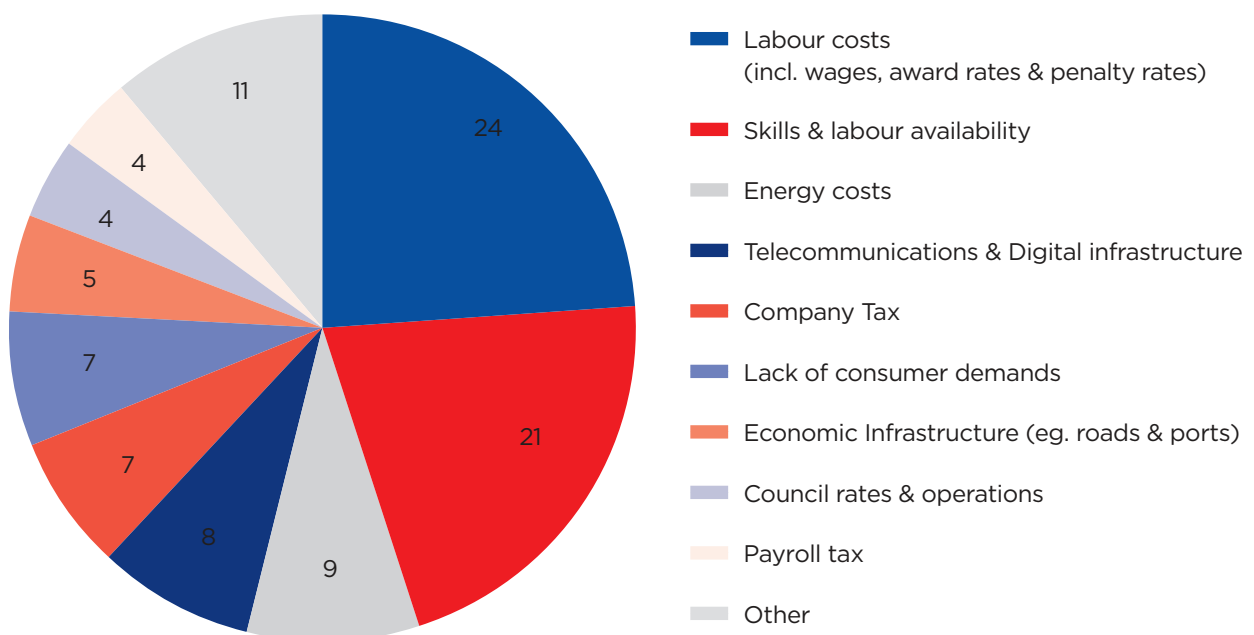


Chart 21  
Main Issue Facing My Business (%)





*Labour costs* are the biggest concern for regional businesses, with 24% selecting it as their top issue. *Skills and labour availability* has persisted as an issue since the COVID-19 pandemic and is second at 21%.

*Energy costs* ranked third. While 9% of respondents identified it as their primary issue, it ranked in the top five issues among 61% of regional businesses. In the six months to December 2023, Australia's Small Business Retail Tariff Tracker<sup>1</sup> noted that "Electricity bills increased in most jurisdictions, with the greatest increase in South Australia (23%)." Furthermore, "Businesses in South Australia continue to have the highest annual electricity bills (\$10,427)", almost double that of their counterparts in Tasmania (\$5,902).<sup>2</sup>

In fourth place was *telecommunications and digital infrastructure* - selected as the number one issue by 8% of respondents. Despite ongoing investment to improve regional communications via the Mobile Black Spot Program, such infrastructure remains an ongoing pain point for regional businesses. We expect the rapidly approaching 3G shutdown will also disrupt some regional businesses. In our 2020 Regional Voice Report, only 34% were *satisfied* with their mobile coverage - and 40% were *dissatisfied* or *strongly dissatisfied*. Similar figures were found in our 2018 edition.

The well publicised Optus outages, and cyber-hacking events have highlighted the cyber-security risks that many businesses face. Tackling cyber-security is no longer just an issue faced by big business and government. Digitalisation and AI is growing so quickly that all businesses must take steps to protect their assets and information.

Ultimately, the three most vexing issues facing regional businesses - *labour costs*, *skills and labour availability* and *energy costs* - must remain top priorities for policy and decision makers. The depth of these three issues is extensive. *Labour costs* and *skills and labour availability* are inextricably linked.

“ We have a lower capacity to offer full time employment. We cannot keep up with market wage increases. Our business is considering moving out of regional SA, employing skeleton overhead staff, refraining from training apprentices and decreasing to approximately 3-5 staff... with plans to stop trading if conditions don't become more viable.

» Whyalla/Port Augusta/Far North, Retail Trade, 20-49 employees

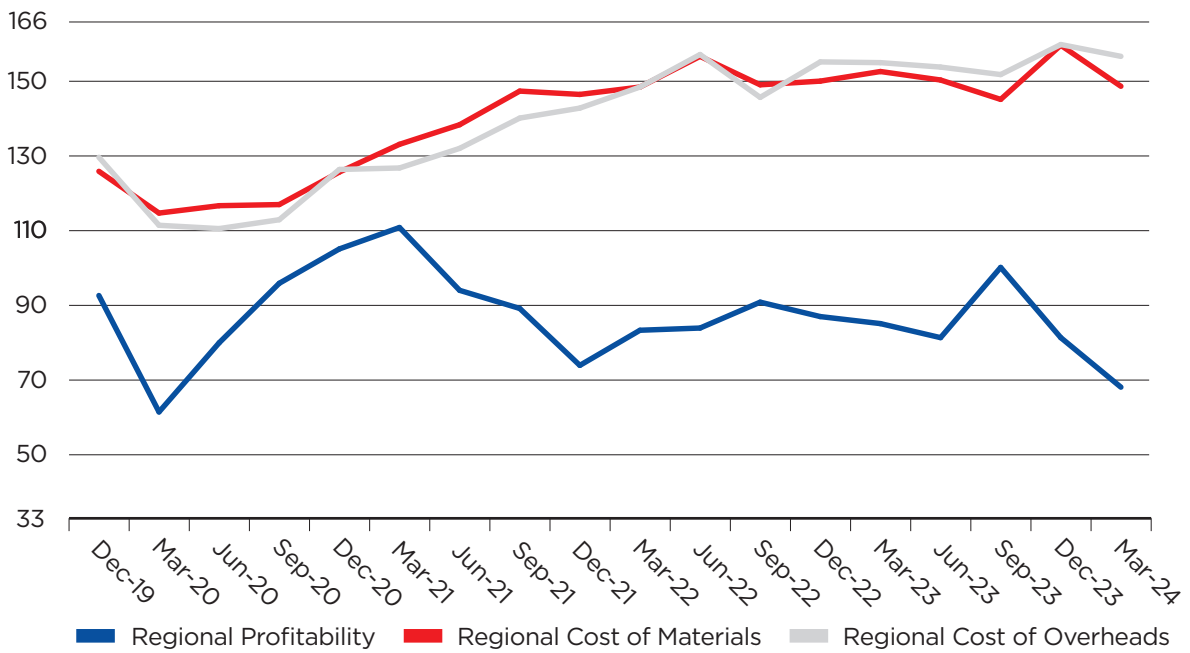
”

Skills shortages have become very prominent in recent years - 36% of occupations that Jobs and Skills Australia assessed in 2023 were deemed to be in *national shortage* (332 of 916), with deficits even more pronounced in regional areas.<sup>3</sup> Concurrent low unemployment means that businesses have been bidding against each other to woo staff, further driving up wages and leaving workforce expansion unaffordable for many businesses looking to grow. Additionally, 2023 saw the highest award and minimum wage increases in Australian history of 5.75%<sup>4</sup>, followed by a further increase of 3.75% in 2024.<sup>5</sup>

The cost pressures facing businesses is palpable. Last July the Australian Energy Regulator confirmed price rises which saw a 28.9% increase in the small business tariff for South Australia<sup>6</sup>, and while there was recently a slight

reprieve in energy costs, small businesses are still contending with an increase of a combined 42.5% increase in the Default Market Offer in the two years from July 2022<sup>7</sup> to June 2024.<sup>8</sup>

Chart 22  
**Profitability vs Cost Indices**

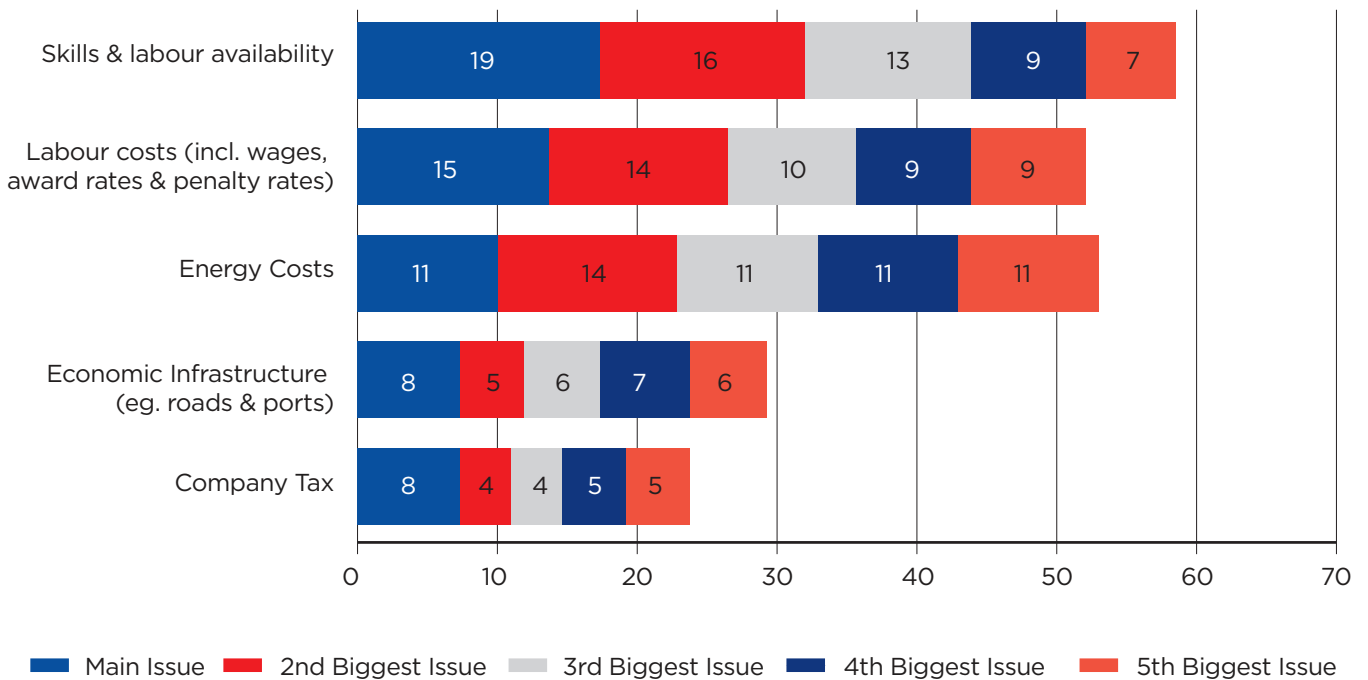


Fleurieu Peninsula - Wirra Wirra - Photo: Tourism Australia / South Australian Tourism Commission



# Main issues facing businesses in my region

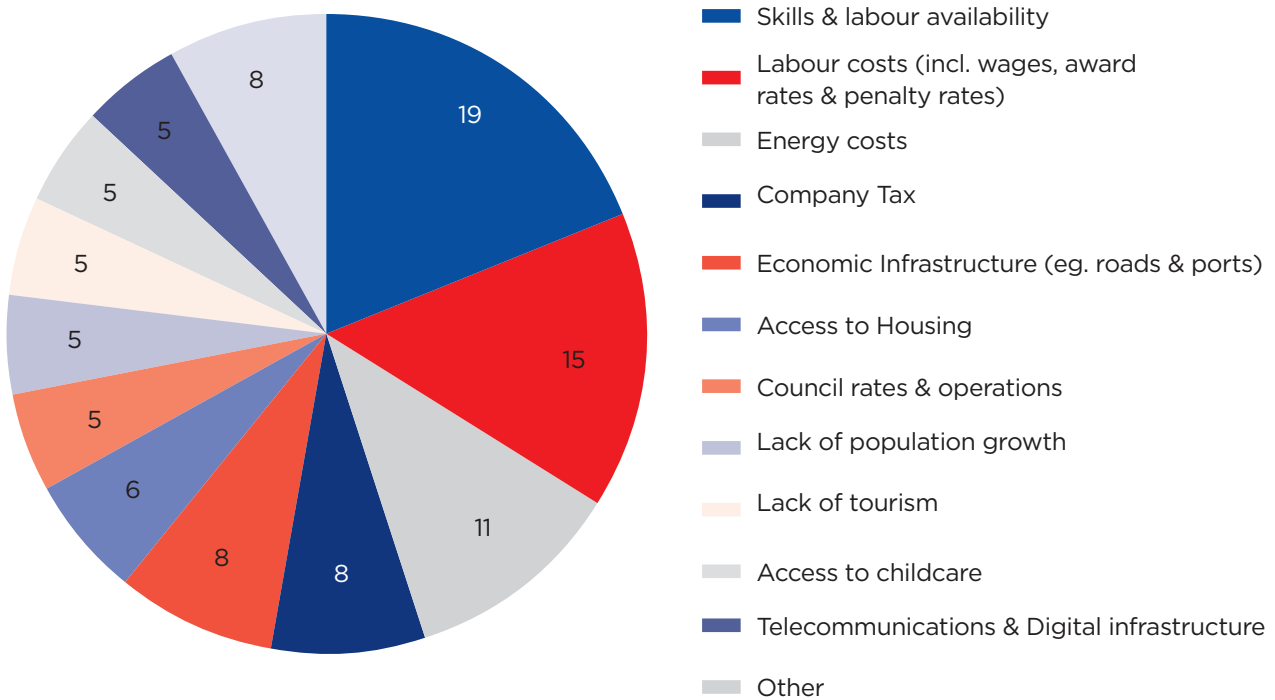
Chart 23  
Top 5 Issues Facing Businesses In My Region (%)



“Increasing labour costs mean we have had to cut down on the number of people we are able to roster on without confirmed bookings. We can’t take the gamble any more that we might have a busy day, and then have to potentially turn away customers if it gets too busy and the team can’t cope.”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Manufacturing, 10-19 employees

Chart 24  
**Main Issue Facing Businesses In My Region (%)**

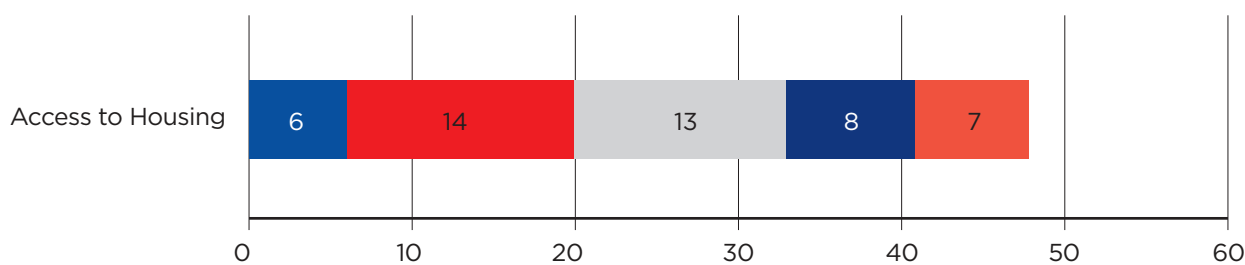


Like the main issues facing *their own business*, regional business operators appear united that the top three issues facing *businesses in their region* are *skills and labour availability*, *labour costs* and *energy costs*. 60% of respondents selected these options (out of a possible 19). Again, these issues must be prioritised by government - and the Chamber will ensure they remain a major part of our advocacy efforts.

# Housing

A significant 48% of respondents named *access to housing* in their region’s top five most prominent issues.

Chart 25  
**Top 5 Issues Facing Businesses In My Region (%)**



■ Main Issue ■ 2nd Biggest Issue ■ 3rd Biggest Issue ■ 4th Biggest Issue ■ 5th Biggest Issue

The vacancy rate of regional South Australian properties dropped 74% between March 2020 to October 2023<sup>9</sup> and around the time of surveying were at all-time lows, below 1% nationally.<sup>10</sup> The median value of dwellings in regional areas nationwide increased by 54.2% between March 2020 and December 2023, compared to a 29.3% increase in capitals.<sup>11</sup> In the year to October 2023, South Australia experienced the most rapid growth in house prices nationwide.<sup>12</sup>

We often hear that housing shortages significantly constrain businesses from expanding their workforce. With rising housing prices and fewer properties available, workforce mobility appears to be declining, especially regionally. The Regional Australia Institute recommends governments tailor housing policy to “reflect specific regional, rural and remote needs and not simply mimic metropolitan policy” and include measures such as reducing barriers to building inexpensive, temporary accommodation for key workers.<sup>13</sup>

Access to housing has been a major issue since

the onset of the pandemic when demand for space per person increased markedly. Migration numbers increased as we emerged from the pandemic resulting in demand outpacing supply.<sup>14</sup>

When asked about increasing regional population growth, 61% were in favour, 27% unsure, and 12% unsupportive. While population growth is supported by the majority of regional businesses, ongoing housing issues must be addressed.

“Housing supply and demand limits many discussions on regional growth.”

» Barossa/Gawler/Light/Adelaide Plains, Agriculture, Forestry & Fishing, 20-49 employees

“Great to get more migration but lack of housing means huge increases in rental and house prices, especially regionally.”

» Yorke Peninsula/Mid North/Port Pirie, Retail Trade, 10-19 employees

“I interviewed two people from Melbourne to relocate, however they could not find suitable accommodation for their family, after three months of discussion they both pulled out.”

» South East, Manufacturing, 10-19 employees

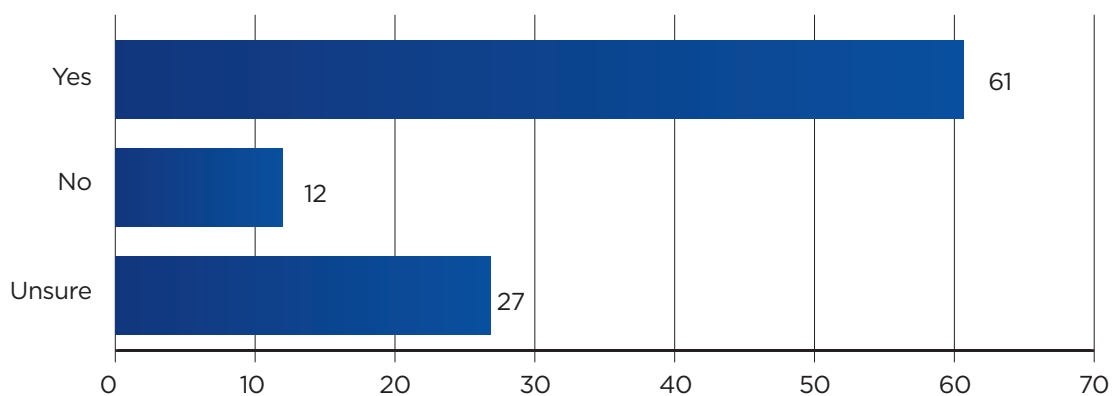
“People will not consider working in our region as they cannot get a home to buy or rent. Housing is critical to maintain our workforce needs in health, teaching, community services and care.”

» Eyre Peninsula & West Coast, Health Care and Social Assistance, 20-49 employees

“With population growth, we need housing - and there are severe shortages... It's best to make the cart before bringing in the horse.”

» Eyre Peninsula and West Coast, Manufacturing, 10-19 employees

Chart 26  
Should Population Growth in Regional SA be Promoted More Widely (%)



# Top 5 issues affecting businesses by industry

## Agriculture, Fishing & Forestry

- |                            |     |
|----------------------------|-----|
| 1. Labour Costs            | 29% |
| 2. Energy Costs            | 13% |
| 3. Lack of Consumer Demand | 13% |
| 4. Company Tax Rates       | 6%  |
| 5. Economic Infrastructure | 6%  |

## Manufacturing

- |                                   |     |
|-----------------------------------|-----|
| 1. Labour Costs                   | 50% |
| 2. Skills and Labour Availability | 31% |
| 3. Council Rates and Operations   | 6%  |
| 4. Economic Infrastructure        | 6%  |
| 5. Lack of Consumer Demand        | 6%  |

## Retail Trade

- |                                   |     |
|-----------------------------------|-----|
| 1. Economic Infrastructure        | 22% |
| 2. Labour Costs                   | 22% |
| 3. Council Rates and Operations   | 11% |
| 4. Energy Costs                   | 11% |
| 5. Skills and Labour Availability | 11% |

## Accommodation

- |                                 |     |
|---------------------------------|-----|
| 1. Council Rates and Operations | 22% |
| 2. Lack of Tourism              | 22% |
| 3. Company Tax                  | 11% |
| 4. Energy Costs                 | 11% |
| 5. Labour Costs                 | 11% |

## Construction

- |                                   |     |
|-----------------------------------|-----|
| 1. Skills and Labour Availability | 86% |
| 2. Labour Costs                   | 14% |

*Labour costs* feature in each industry and are the top issue for half of manufacturing businesses and for 29% of agriculture businesses, understandable in a year of high wage growth. Interestingly, *energy costs* feature in the top five issues for agriculture, retail and accommodation sectors but not on the list of manufacturing businesses, typically a more energy intensive field.

Notably, construction sector respondents only viewed either *skills and labour availability* (86%) or *labour costs* (14%) as their most prominent issues reflecting the sector's serious challenges. In 2020, 20% of respondents told us *skills and labour availability* was their number one issue, compared to 86% saying the same this year.

### In 2020 in construction

20%

of respondents told us skills and labour availability was their no. 1 issue.

### In 2024 in construction

86%

of respondents told us skills and labour availability was their no. 1 issue.



# The labour market

Chart 27  
Is Your Business Experiencing Labour Shortages? (%)

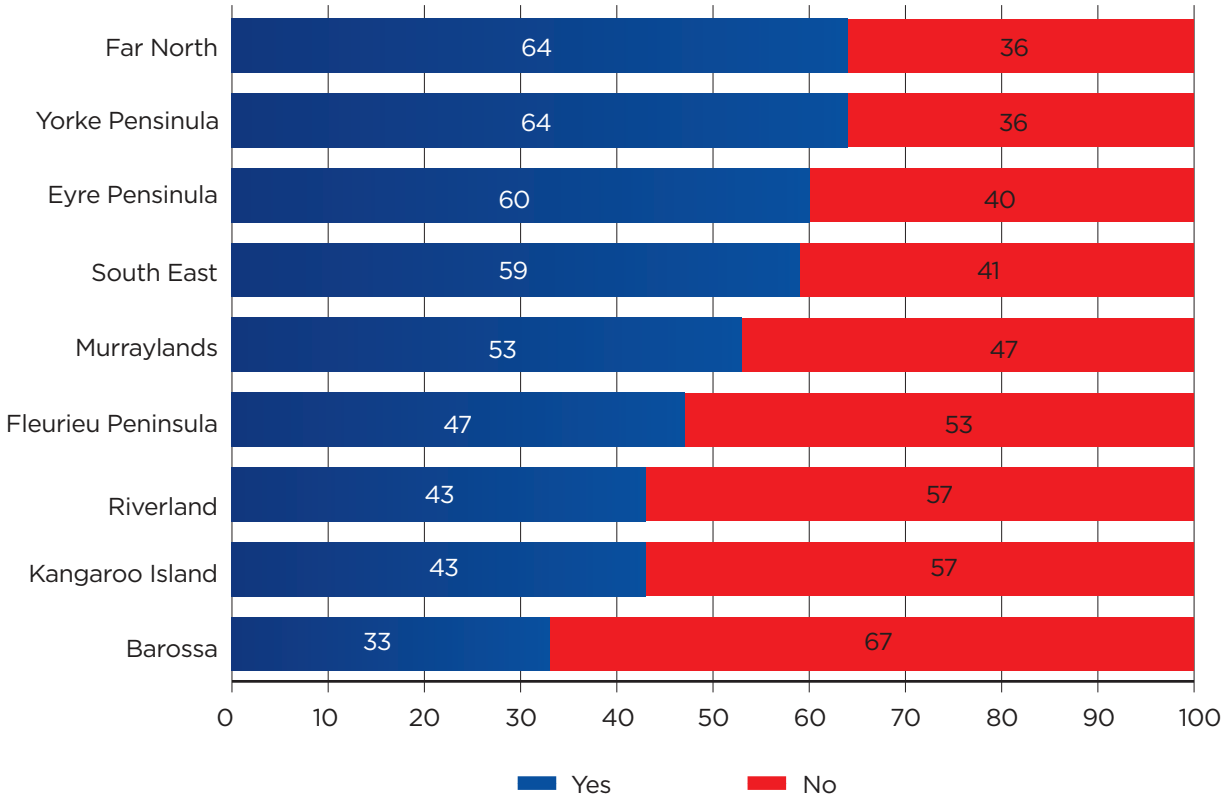
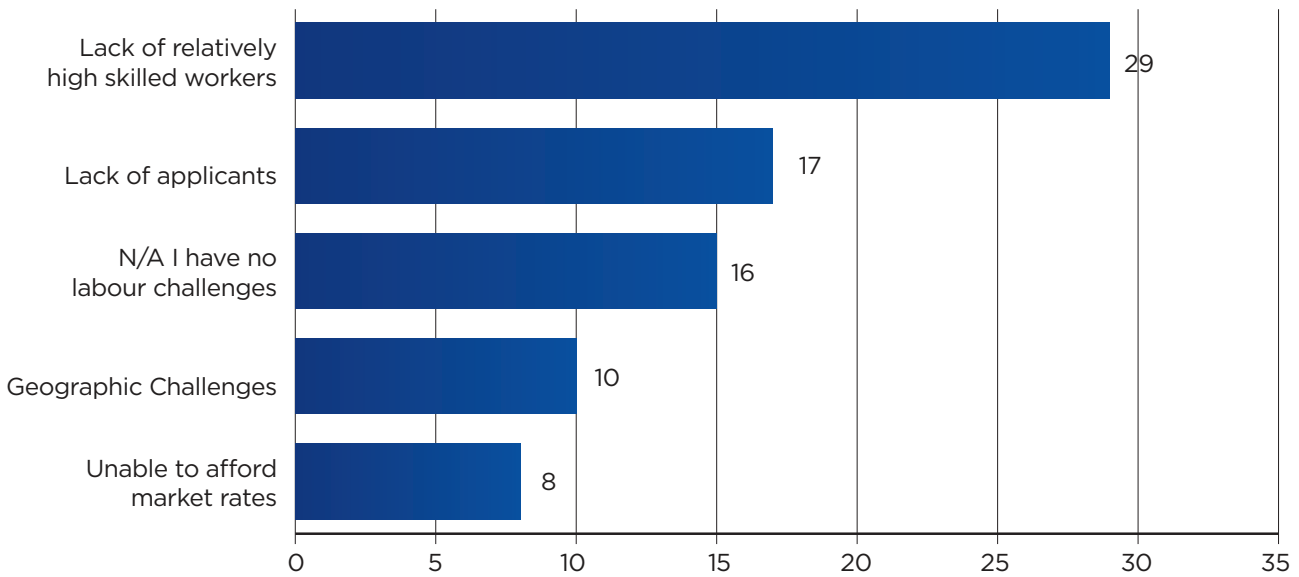


Chart 28  
Most Prominent Labour Market Challenge (%)



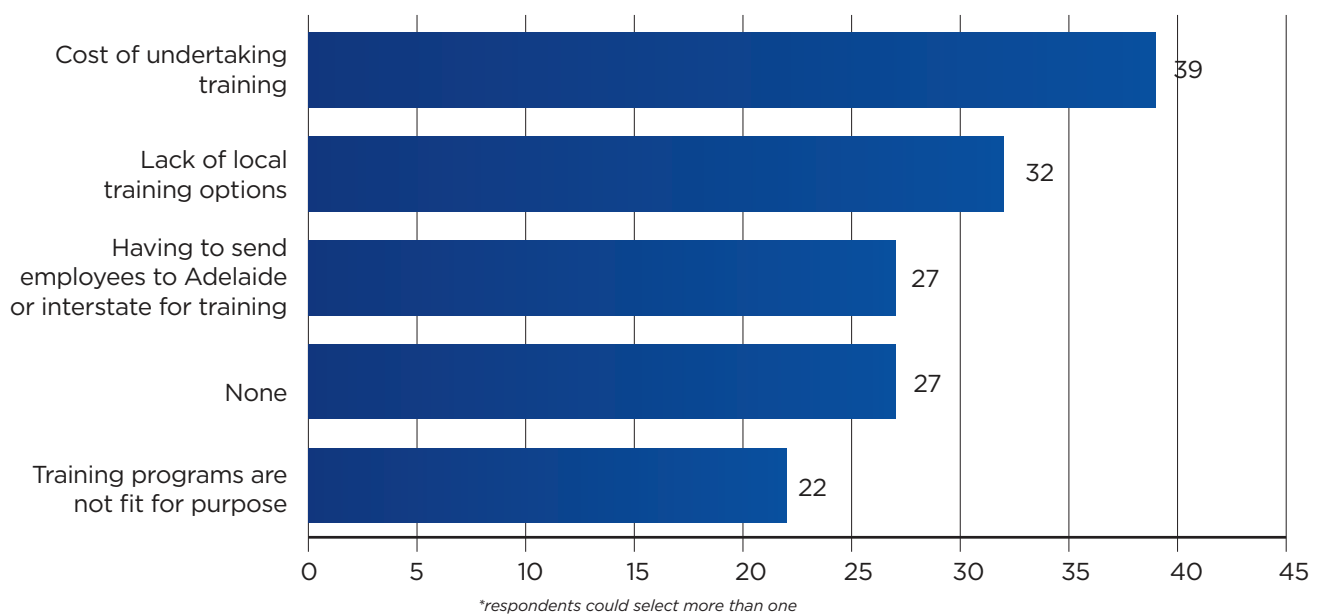
“ Previous years’ increased emphasis on academic success has reduced students moving into skills based studies [reducing] the labour market. ”

» Riverland, Education and Training, Sole Trader

The South Australian labour market is a significant issue for business. South Australia's unemployment rate has remained below 5% for more than two years – rare by historical standards. Even after more than a dozen interest rate hikes, the May 2024 figures saw seasonally adjusted unemployment rates

for Australia and South Australia stand at 4%. At the start of the pandemic, the State's participation rate dipped to 61% and has steadily grown since to a peak of approximately 64.5% in May 2023 and hours worked have steadily risen since the pandemic.<sup>15</sup>

Chart 29  
Main issue related to training (%)



Costs of undertaking training were the most prominent training issue facing regional businesses, with issues relating to the accessibility of training also a concern. The survey found that broadly, businesses in closer proximity to Adelaide have fewer issues regarding training.

The most prominent labour market challenge is the *lack of relatively highly skilled workers*. Sourcing and recruiting skilled workers to the regions is an ongoing issue and will likely continue with current wage increases and housing shortage. 17% of businesses told us that a lack of applicants is their most prominent issue. In recent discussions, regional businesses have shared their concerns about low participation rates in their region and actions being taken locally to address this, including working directly with high schools to attract potential workers.

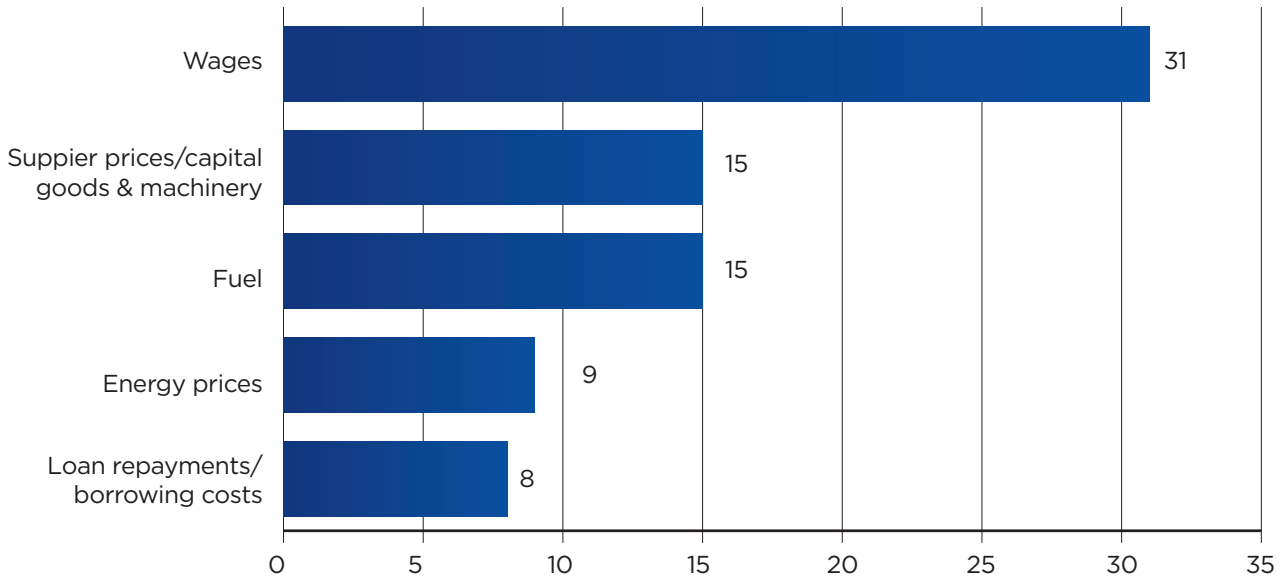
“ There is too much pressure and emphasis placed on younger people to go to tertiary education... We need to encourage more young people to go into trades and tradies to take on apprentices.”

» South East, Wholesale Trade, 20-49 employees

A few respondents commented on the skills composition of the labour force.

# Cost of doing business

Chart 30  
Most Significant Cost Increase in Last 12 Months (%)



Unsurprisingly given previous discussion, cost of *wages* was the most significant business cost increase in 2023.

*Supplier prices* and *fuel* ranked equal second. The average price of unleaded in 2024 has been 193 cents per litre, while as recently as September 2021 the average price was 153 cents per litre,<sup>16</sup> representing a 26.1% price increase. This disproportionately affects regional businesses, particularly primary industries, due to the size and population of South Australia.

While businesses can make efforts to reduce staff, borrow less, use less fuel or energy, these are essential and unavoidable expenses. We asked businesses how they are managing the increasing costs resulting in varied responses.

“ We have had to enter a job without a final cost price for the customer, as we have no idea what cost of goods will be when we finish the project in 12 months’ time. ”

» Yorke Peninsula/Mid North/Port Pirie, Retail Trade, 10-19 employees



“ We have changed our packaging materials to cheaper types and suppliers, reduced our inventory, reduced our labour hours as much as possible, used cash reserves to pay off loans faster, tried to reduce our energy use, reduced our travel. ”

» Riverland, Agriculture, Forestry & Fishing, 5-9 employees

“ Everything in general has skyrocketed so we are cutting back on costs and managing our inventory tighter, meaning we have unexpected out of stocks and some inconsistent product bill of materials. ”

» Riverland, Agriculture, Forestry & Fishing, 5-9 employees

Chart 31

**How has the cost of materials changed in the previous 6 months? (%)**

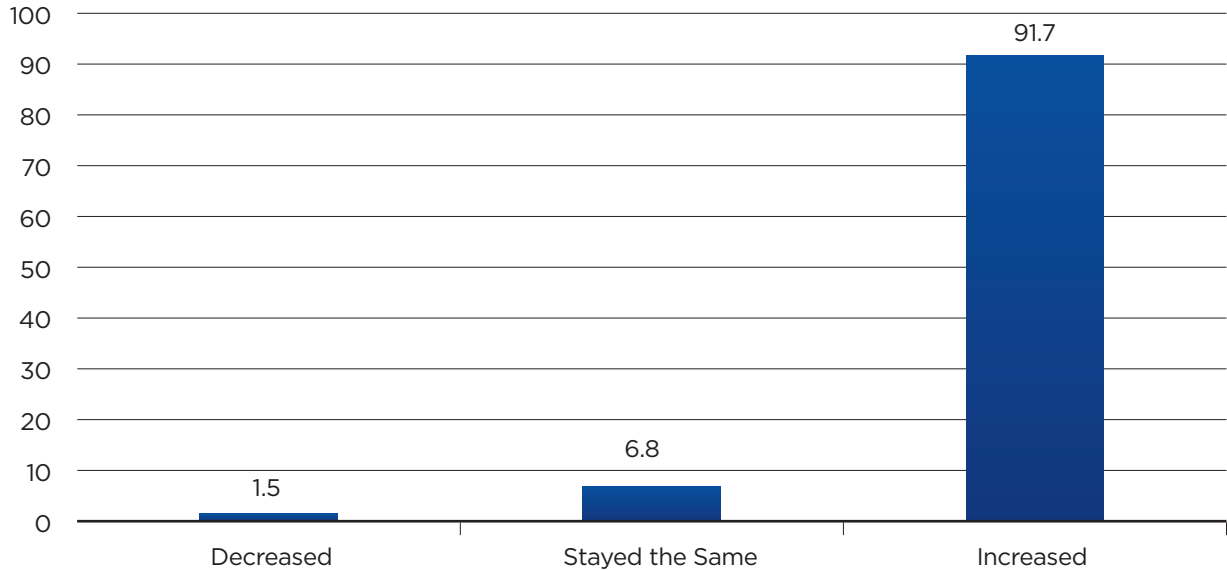
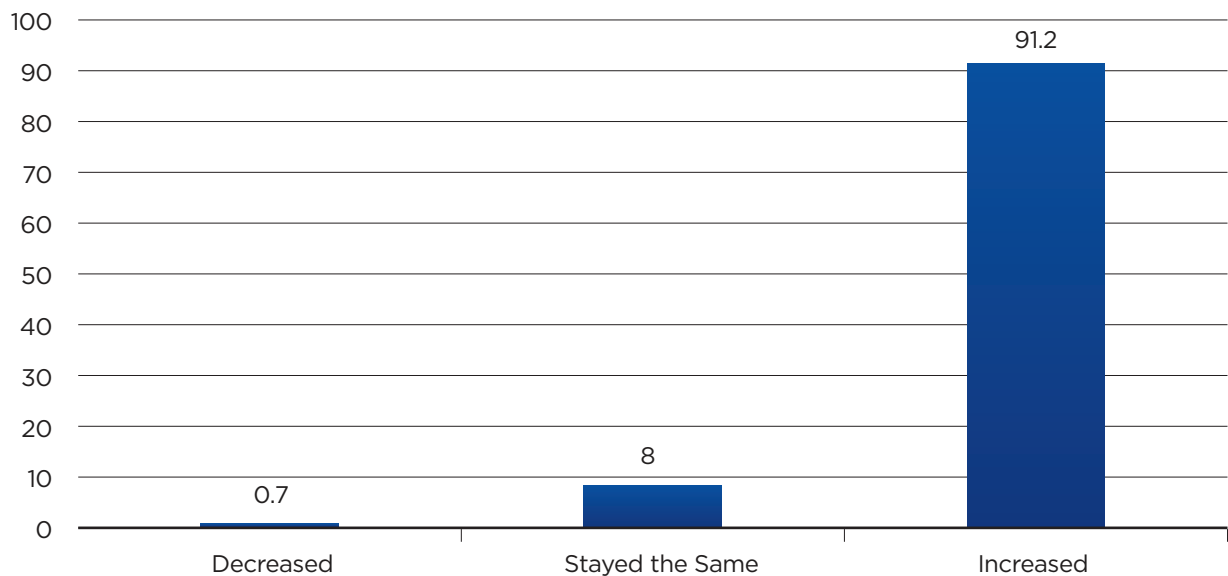


Chart 32

**How has the cost of overheads change in the previous 6 months? (%)**



# Compliance costs

Chart 33  
Top 3 Compliance Costs (%)

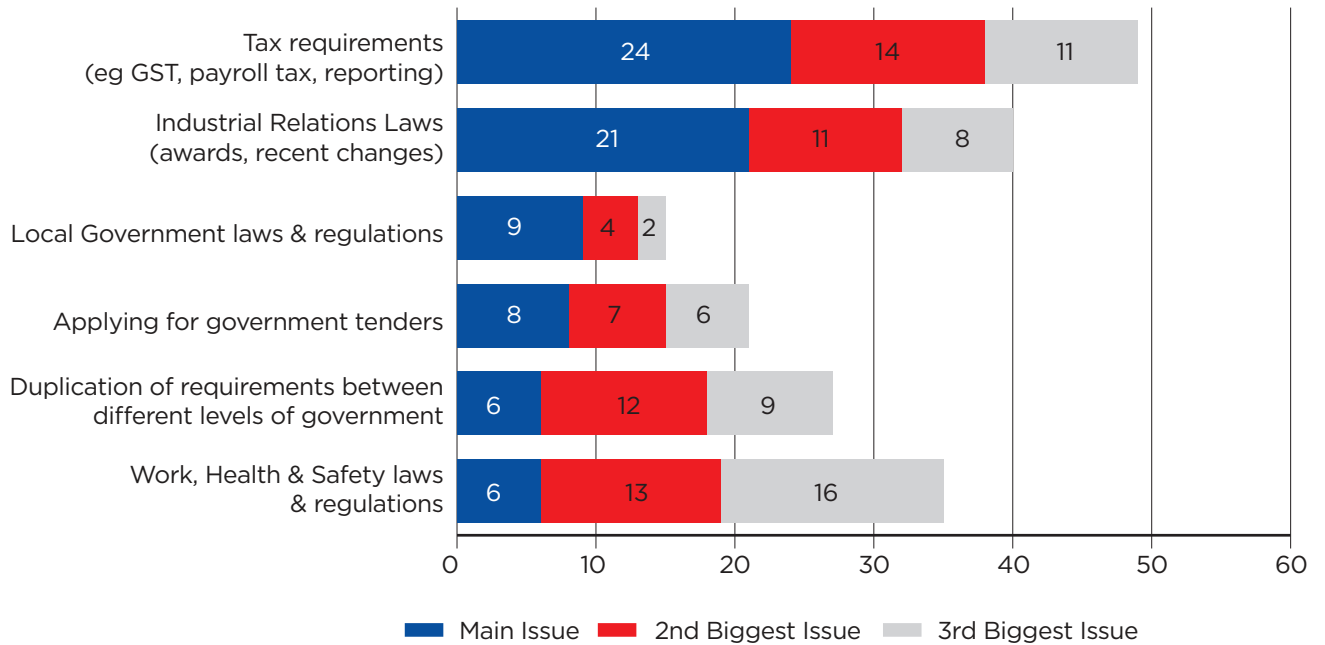
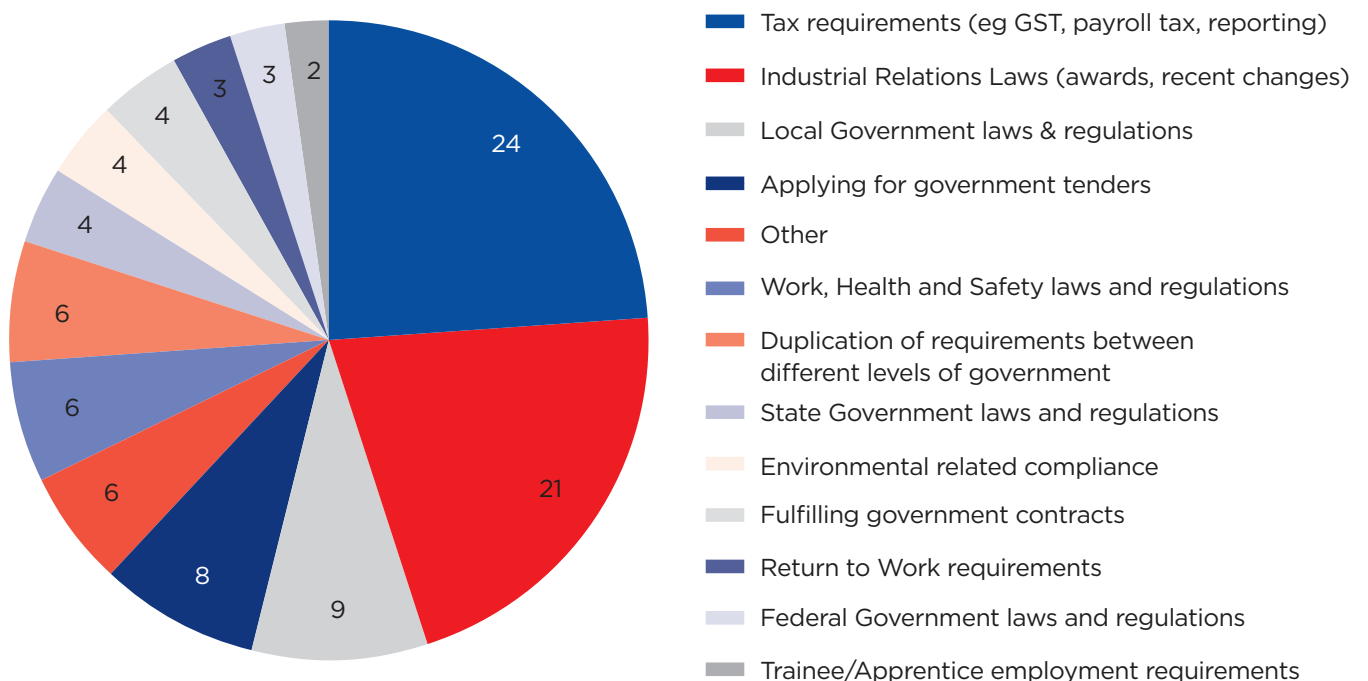


Chart 34  
Top Compliance Cost (%)





Kangaroo Island – Beach Barista – Photo: South Australian Tourism Commission

We also asked respondents what their most costly/onerous compliance obligations were. Not surprisingly, *tax requirements* was the top response.

Compliance with *Industrial Relations Laws* was the second most costly for respondents. Australia's system is notoriously complicated with over 120 modern awards, all with their own unique entitlements.

*Local Government laws and regulations* was the most costly regulatory aspect for 9% of respondents.

“ In one business we maintain at least five compliance systems. We require staff to have been trained in legislated training e.g. food safety, forklift... [and] in each system we need to maintain a training register. ”

» Kangaroo Island, Hospitality,  
10-19 employees

# Insurance

A 2022 survey of Australian small businesses conducted by Vero found that just 43% of businesses thought they were completely covered.<sup>17</sup> Insurance is a critical cost for business and continued price rises are seeing them having to pass on costs, adding to inflation.

Insurance costs rose 16.2% in the year to December 2023 – the highest annual increase since March 2001.<sup>18</sup> Premiums for many insurance policies such as public liability and professional indemnity have risen even more.<sup>19</sup>

We asked regional businesses to comment about how their insurance coverage and premiums had changed in the last 2-3 years, and what steps they had taken to mitigate the impact.

“ Premiums have increased significantly despite installing new water storage tanks as requested by the insurer. Limited as what can be done due to consolidation of providers within the insurance industry. ”

» Yorke Peninsula/Mid North/Port Pirie, Manufacturing, 50-199 employees

“ Insurance has grown in cost. We have invested in items such as fire control and continuous security monitoring however this offered no reductions in premiums. ”

» Barossa/Gawler/Light/Adelaide Plains, Agriculture, Forestry & Fishing, 20-49 employees

“ There is a fairly select few companies that will cover all areas of our business. All our insurances have increased disproportionately to inflation and at a time when profitability is already lower. The market is not competitive and we cannot trade without insurance so we are between a rock and a hard place. ”

» Whyalla/Port Augusta/Far North, Retail Trade, 20-49 employees



“ Insurance has become ridiculously expensive, even for a relatively low-risk business like ours. We have considered reducing insurance but are not in a position to self-insure while still in drought recovery mode. ”

» Whyalla/Port Augusta/Far North, Agriculture, Forestry & Fishing, 1-4 employees

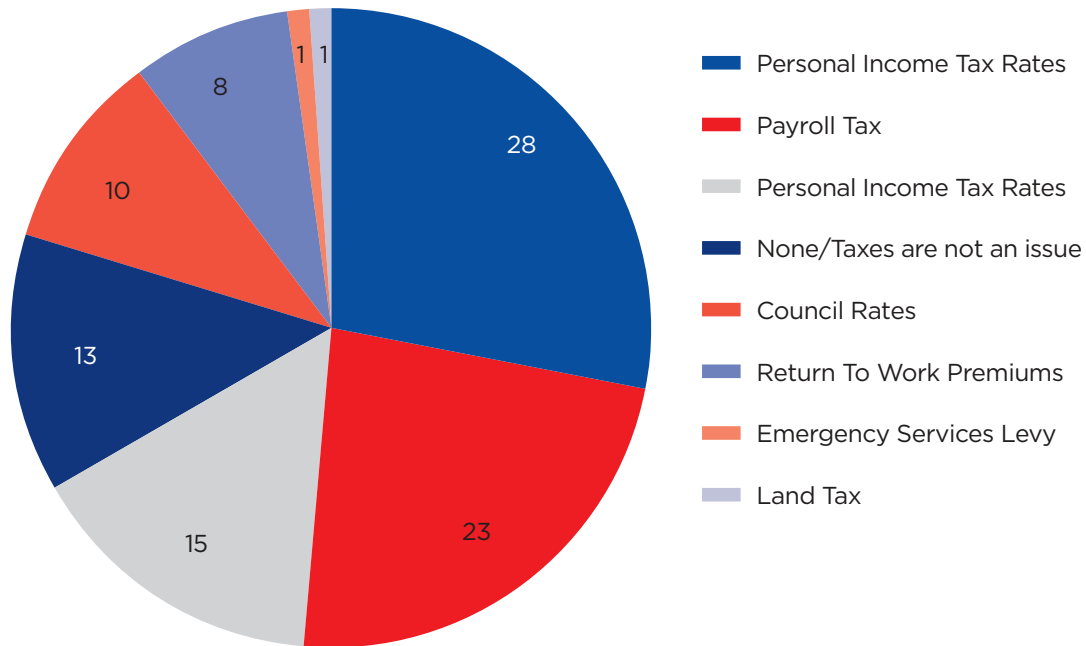
“ ...we are taking increased risks that do not sit comfortably. We were denied insurance last year because of the River Murray flooding and the broker ended up finding us a company that would partly insure but of course premiums were very, very high. ”

» Murraylands/Mt Barker/Strathalbyn/ Adelaide Hills, Retail Trade, 1-4 employees

“ Premiums have increased as insurers have made increases to allow for the losses they have incurred due to fire, flood etc especially on the Eastern seaboard. Brokers are apologising for the increase and insurers are tightening the cover being given. ”

» South East, Wholesale Trade, 20-49 employees

Chart 35  
Most Constraining Tax or Levy (%)



Respondents were asked to name the three most constraining taxes on their business. *Company tax rates* featured in over half of all answers, with 28% naming it their most constraining tax, and another 18% naming it their second most constraining tax. The Company tax rate in Australia (30%) is well above the OECD average of 23.7%.<sup>20</sup> ‘Small and medium businesses’ are subject to a slightly lower rate of 25%.<sup>21</sup>

*Payroll tax* was the second most constraining tax for regional businesses and is the most constraining *state-based* tax. Payroll tax is determined by a business’s annual wage bill – those exceeding \$1.5 million are liable for payroll tax.

Considering that well over a third of respondents had fewer than 10 employees (and would therefore be unlikely to be liable for payroll tax), the impact of payroll tax is

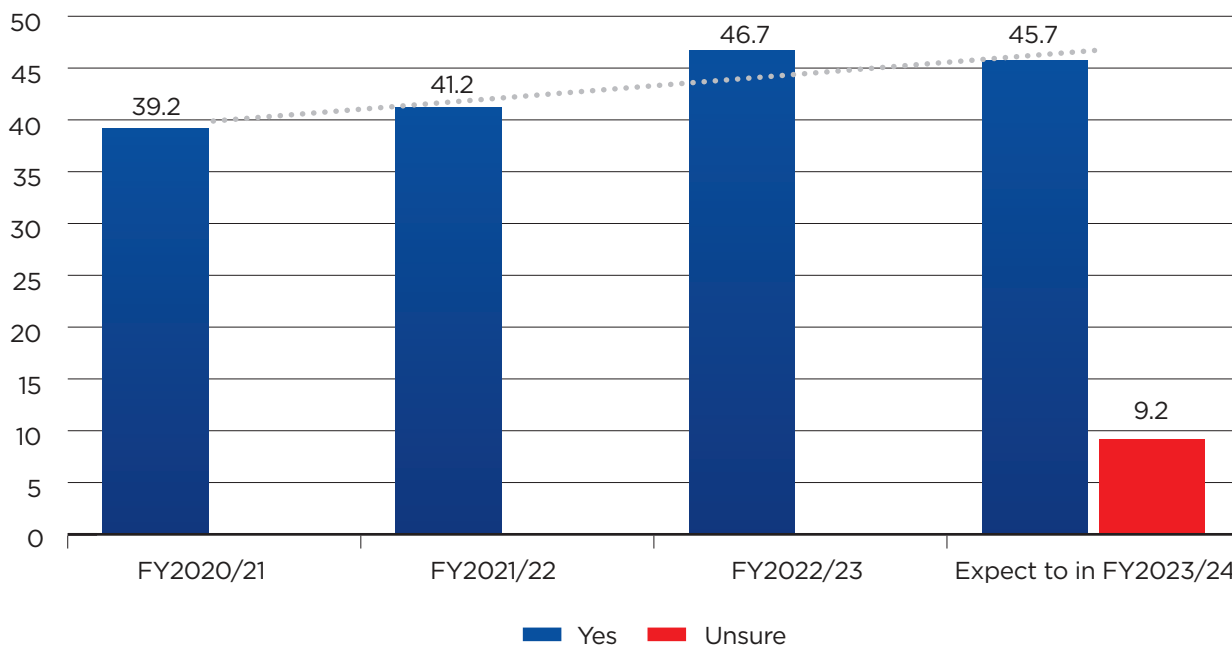
impacting greatly for those who have payrolls over the threshold.

It is not only large businesses who bear the brunt of this tax. 28% of businesses with 10-19 employees, and 43% with 20 or more employees told us payroll tax is the most constraining of taxes on their operation.

Given high wages growth in recent years, we know that many businesses are newly subject to payroll tax as their wages bill rises above the \$1.5 million threshold. In our June 2023 Survey of Business Expectations, 38.9% reported paying payroll tax in the 2020/21 FY, growing to 46.4% in the 2022/23 FY – a 19.3% increase in just two years which we predict to continue rising.

To combat this bracket creep, the South Australian Business Chamber has advocated for a lift in the payroll tax threshold. As wages rise so too should the threshold.

Chart 36  
**Percentage of Businesses Reporting Paying Payroll Tax**



In our 2024 Pre-State Budget Submission we also called for a 50% payroll tax discount for regional South Australia to stimulate business and investment in the regions. Victoria’s regional payroll tax rate is 1.2125% and Queensland also has a regional discount of a whole percentage point that has been extended until the middle of 2030. In 2020, Victorian Treasurer Tim Pallas said of his state’s regional payroll tax discount: “the savings are worth thousands of dollars to thousands of businesses – it’s about making life easier for regional employers”.<sup>22</sup> For that reason similar measures must be adopted to ensure that business really is better in SA, as our State Government has advertised recently.<sup>23</sup>

“ Payroll tax has sent our business back massively.... the skills and staff shortages driving labour cost increases our payroll [and] exceeds 50% of gross revenue, meaning the payroll tax abolishes the small margin of profit we once made.”

» Whyalla/Port Augusta/Far North, Retail Trade, 20-49 employees

“ Payroll Tax restricts your enthusiasm for expanding your business as you are penalised for employing more people. Wages are increasing but the threshold does not. ”

» South East, Wholesale Trade  
20-49 employees

“ Payroll tax limits the employment we can offer, personal income tax bracket creep is making employees feel poorer and wanting bigger pay rises. ”

» Riverland, Electricity, Gas, Water & Waste Services, 20-49 employees

“ Payroll tax is now the equivalent of 1.5 employees in our business. Not only are we now not employing more people we are looking to downsize our business because of payroll tax. ”

» Rental, Hiring and Real Estate Services, Whyalla/Port Augusta/Far North, 20-49 employees

“ Stamp duty has a noticeable impact on our industry as it reduces further buyer's affordability and ability to purchase residential housing. ”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Rental, Hiring and Real Estate Services, 1-4 employees

“ Return to work premiums continually increase even if a business has an impeccable safety record. Rates should decrease for companies with good safety records. ”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Manufacturing, 10-19 employees

“ System was much simpler when apprentices were eligible for payroll tax exemptions...the current system has a high level of red tape. ”

» Murraylands/Mt Barker/Strathalbyn/Adelaide Hills, Manufacturing, 50-199 employees

“ Because the return to work levy is based on actual wages paid, we become ‘penalised’ when we provide our staff with wage increases beyond the award. The levy should be based on the award wages and not on actual. As a small business, the company tax rate is a constraint on investment; the high rates mean there is less income available to purchase new plant and equipment. ”

» South East, Agriculture, Forestry & Fishing, 5-9 employees

“ Revenue has stagnated, employment costs have increased, taxes have increased, employee availability is low, profitability hit the wall when we qualified for payroll tax. ”

» Whyalla/Port Augusta/Far North, Retail Trade, 20-49 employees



# Industrial relations & WHS laws

In late 2022, the Federal Labor Government introduced the first tranche of its proposed changes to industrial relations laws. In the lead up to this, the Australian Chamber of Commerce and Industry (ACCI), working with the South Australian Business Chamber and other chambers across Australia, successfully reduced the potential impact of these changes.

The changes are significant and the results of the survey support that, with many businesses remaining unsure of their compliance obligations. At the time of the survey more than 60% of businesses were either unaware of the changes, or unsure as to how they would impact their business.

ACCI and the South Australian Business Chamber are committed to advocating for a legislative and regulatory operating environment that enables Australian businesses to flexibly manage employment and workplace arrangements. The Federal Government provided funding to enable ACCI and the state and territory chambers to support Australian businesses to understand and comply with changing and complex workplace laws.

Since the survey, the Chamber has provided regional seminars and in-depth webinars, to assist regional businesses in understanding the impact of the IR changes to their business, as

well as providing ongoing on-on-one support through our Business Advice Hotline. These sessions will continue throughout 2024/25.

In 2023 the South Australian Government made amendments to the *Work Health and Safety Act 2012* concerning psychosocial hazards that were to come into force on 25 December 2023. At the time of the survey, only 26% of regional SA businesses were both aware of these changes that were about to come into force and knew how to comply with the new laws. 27% were aware of the changes but were unsure of their compliance obligations. Concerningly, 47% were unaware of the changes at the time.

27%

**were aware of changes  
but were unsure of  
their compliance  
obligations regarding  
psychosocial hazards.**

Chart 37

**Are you aware of the recent Industrial Relations changes, such as the 'Closing Loopholes' Bill? (%)**

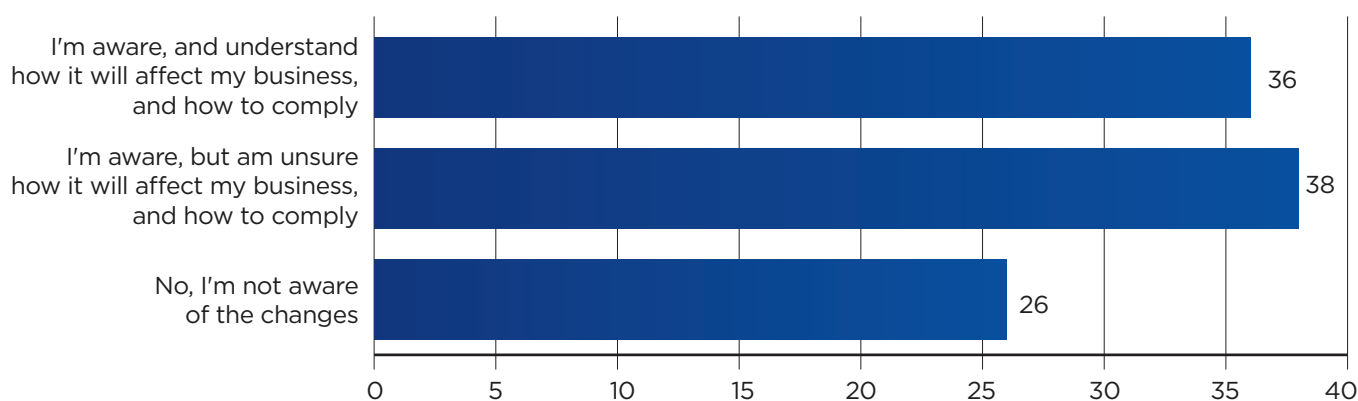
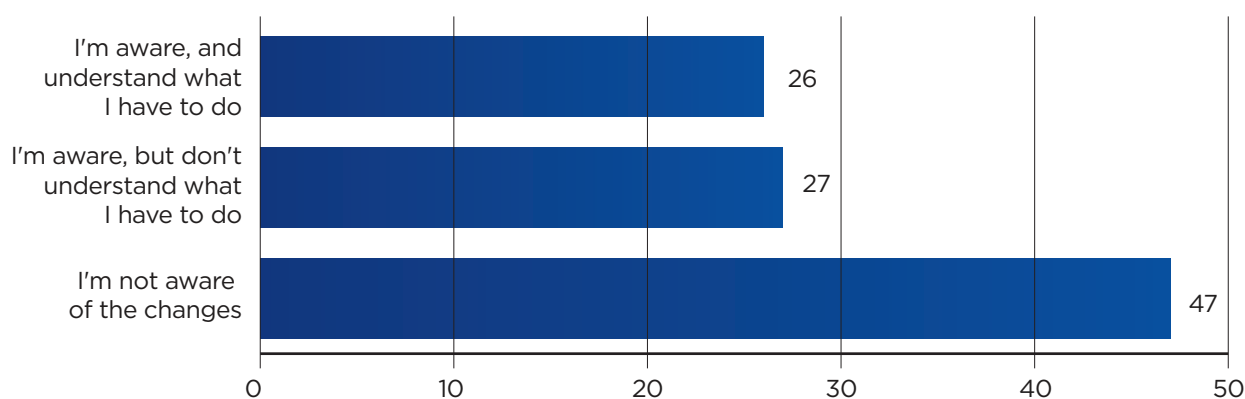


Chart 38

**Are you aware of the new psycho-social code of practice requirements? (%)**



# Infrastructure & government investment

Chart 39  
Areas Needing Government Investment (%)

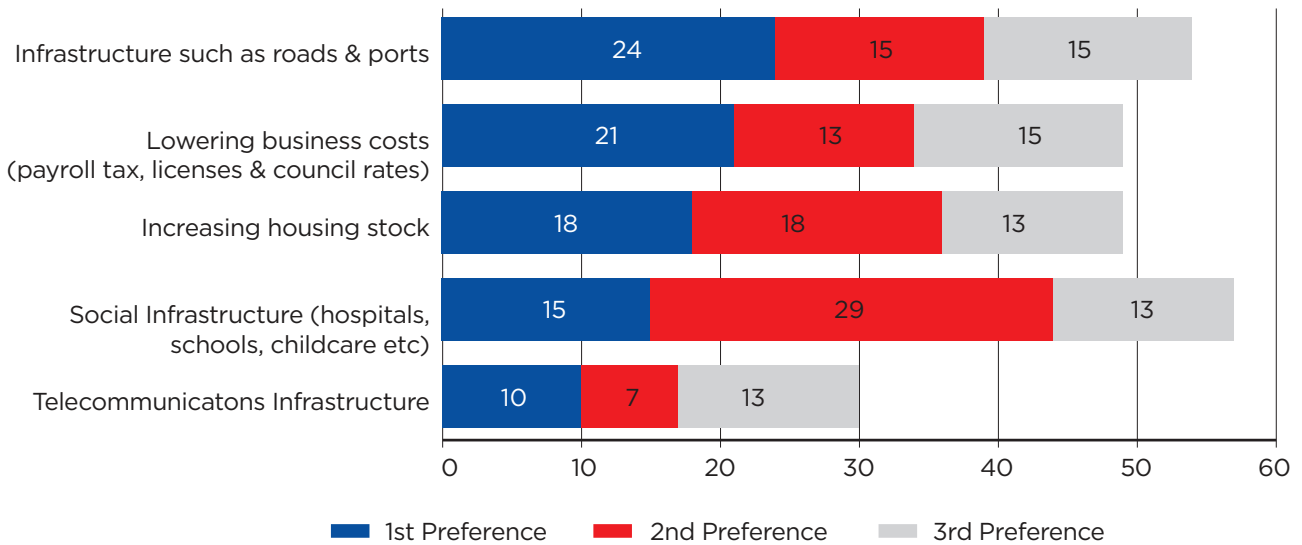


Chart 40  
Main Area Needing Government Investment 2024 (%)

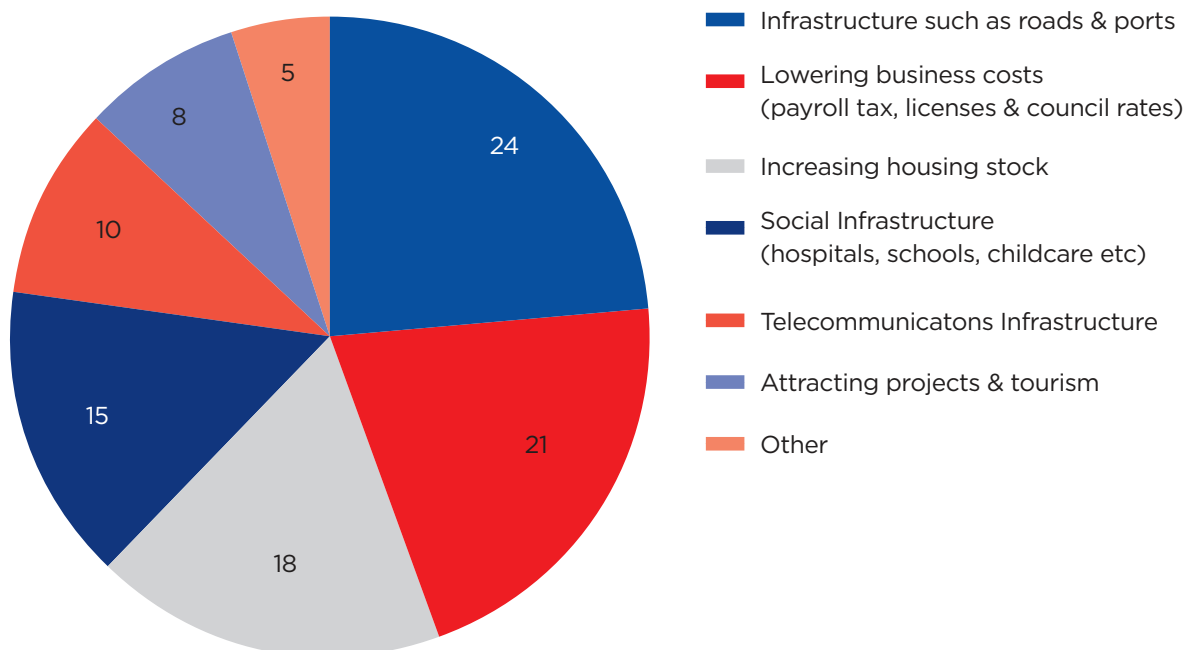




Chart 41  
**Main Area Needing Government Investment 2020 (%)**

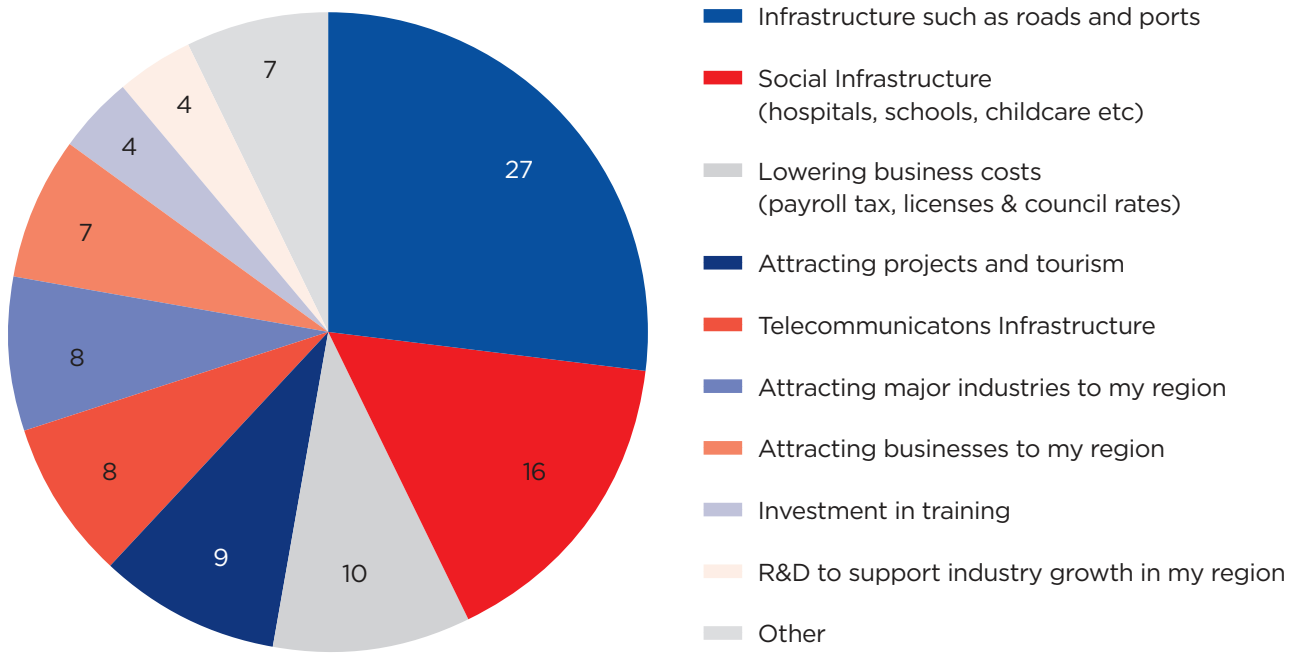
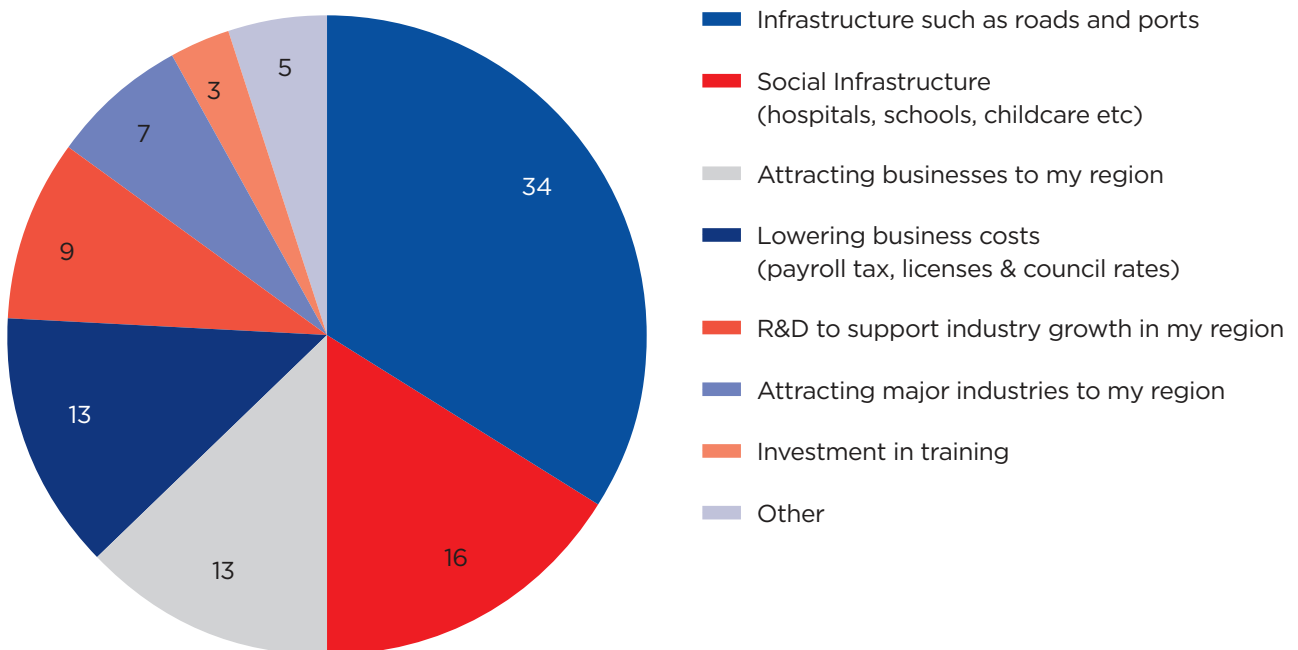


Chart 42  
**Main Area Needing Government Investment 2018 (%)**



*Road and transport infrastructure* has been the most prominent issue regional businesses feel requires government investment in every Regional Voice survey since 2018.

Concerningly, the Federal Government recently conducted a review of its infrastructure commitments, recommending 82 projects be cancelled.<sup>24</sup> While the South Australian Business Chamber has recently been working with the State Government to develop its 20 Year Infrastructure Strategy, we will continue to monitor more pressing infrastructure needs for the regions.

The second most prominent issue is the need to *lower business costs* for regional South Australia to stimulate growth in the regions. Interestingly, when asked in our 2020 edition just 10% thought *lowering business costs* should be the main priority for government action, compared to 21% in 2024. As previously mentioned, the Chamber will continue to advocate for a 50% regional payroll tax discount which will help accomplish this.

When looking at the top 3 areas for government investment, respondents told us that *social infrastructure* (such as hospitals and schools) requires urgent attention. When we visit the regions, concerns regarding labour and infrastructure needs in healthcare and childcare are often raised with concern that the government is not doing enough to address the problem.

Nearly half of all respondents have identified *increasing housing stock* as one of their top 3 issues needing further government investment in their region. *Increasing housing stock* was voted as the third most prominent issue requiring government investment in this survey, receiving 18% of votes. An indication that housing has become such a significant issue in regional South Australia is that it had not even been an option to choose in previous editions of Regional Voice.

In a time of high population growth, the housing sector has simply not kept up pace. The number of development applications lodged in 2022-23 in SA declined by nearly 4000 from the previous financial year.<sup>25</sup> High levels of insolvency in the construction industry, price inflation of inputs due to supply chain constraints, the cessation of the Homebuilder grant and persistent interest rate rises have all resulted in housing affordability and accessibility declining. These are factors not easily countered. The State Government recently announced the waving of stamp duty for newly constructed homes by first-home buyers and we will watch with interest to see if this has any measurable impact on the housing crisis.

**The Chamber  
will continue to  
advocate for a**

**50 %**

**regional payroll  
tax discount.**



# Mental health

In the wake of the COVID-19 pandemic and current cost of living pressures it is vitally important that mental health concerns in the workplace are identified and appropriately managed. We asked regional businesses how they were feeling now compared to during the pandemic.

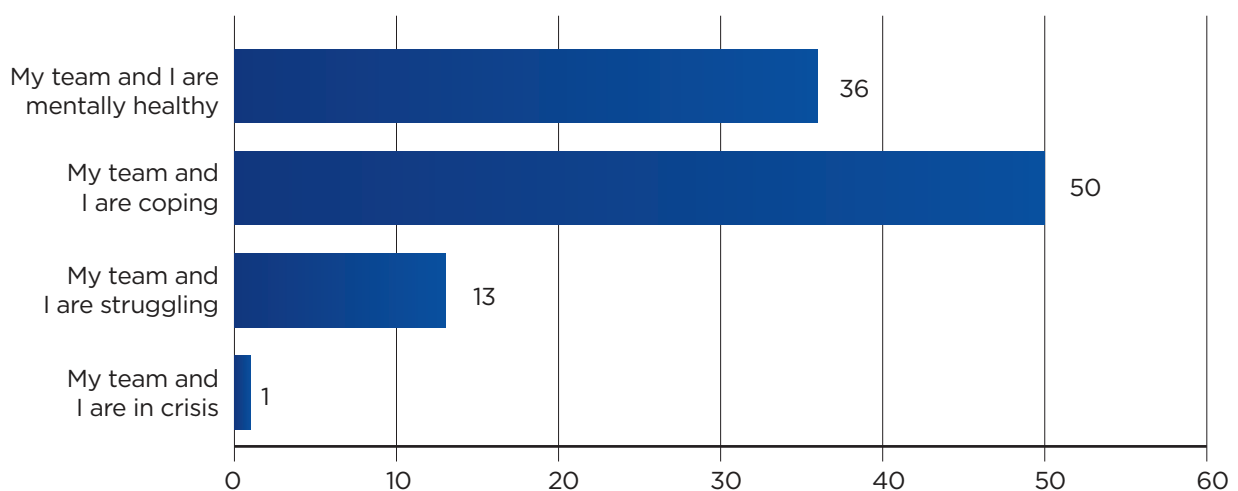
The most recent Federal Budget included specific funding to support small business owner's mental health. Beyond Blue's **NewAccess** for Small Business Owners (NASBO) is a guided self-help mental health coaching program over 6 sessions.

Should this raise issues for you, please contact **Lifeline** on 13 11 14 or Beyond Blue on 1300 22 4636.

“ We have gone on a roller coaster. We were hanging on during Covid and just getting from one crisis from the next. After Covid I think was hardest. It was hard to trust that things weren't going to change again, and it was hard to plan for the future. ”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Manufacturing, 10-19 employees

Chart 43  
Compared to during COVID-19,  
how are you & your team feeling? (%)



“ Mental health has become a higher than normal focus on day to day business operations. Looking after the wellbeing of our team members is critical to the success of our company and something we work on daily. The aftermath of Covid is significant and a large portion of people are experiencing fallout from the impact of Covid. ”

» Eyre Peninsula and West Coast, Construction, 10-19 employees

“ Business owners are having to work ridiculously long hours (often 12+ daily) due to lack of suitable labour, increased costs/ reduced margins & profitability, increased regulatory compliance, general economic downturn - but the work doesn't decrease. We're both exhausted (and grumpy as you may have gathered from the tone of this survey response). ”

» Riverland, Agriculture, Forestry & Fishing, 5-9 employees

“ The financial impacts following Covid are the biggest mental health concerns for me personally. We had a healthy bank balance before Covid but having depleted our business and personal savings over Covid it is going to take a long time to recover fully. ”

» Murraylands/Mt Barker/Strathalbyn/Adelaide Hills, Retail Trade, 1-4 employees

# Success stories

Not wanting to only focus on the issues for business, we asked respondents to share their success stories. We also asked them to include any changes in their region or government policy that may have contributed to positive outcomes over the previous 12 months.

Responses ranged from tourism and events drawing visitors to their respective region to the value of joining business networks such as local chambers/hubs. Government grants and programs were mentioned multiple times. We know since the pandemic, many businesses have struggled and were therefore heartened to hear of the strong community links and loyal customer support prevalent in times of great need. Others demonstrated that their own ingenuity and internal business changes led to solid outcomes.

“Local community events continue to provide visitors to the region even though we are not a major tourist area. The implementation of new machinery has streamlined a portion of the business which staff have received very well.”

» Riverland, Hospitality, 20-49 employees

“We’ve been “growing our own” skilled based staff by creating our own training academy. General regional activity and interest in the Upper Spencer Gulf region with the projects forecast has seen more positivity in our business, and the community in general.”

» Whyalla/Port Augusta/Far North, Mining, 200+ employees

“The general growth of the Mt Barker region has been great. As well as our internal development of staff.”

» Murraylands/Mt Barker/Strathalbyn/Adelaide Hills, Construction, 50-199 employees

“My business has been operating for five months and already I have seen a great need for the products I sell.”

» Riverland, Retail Trade, Sole Trader

“ Networking online, joining more Facebook groups, joining communities for women business owners. ”

» South East, Information, Media and Telecommunications, Sole Trader

“ Participating in the State Government’s Small Business Fundamentals program on financial literacy has been a big help. ”

» South East, Professional, Scientific and Technical Services, Sole Trader

“ The support of my customer base during the Murray flood crisis was an enormous boost. ”

» Murraylands/Mt Barker/Strathalbyn/Adelaide Hills, Retail Trade, 1-4 employees

“ Promotion by the local tourism association. Achievement of a silver medal in the SA Tourism Awards. ”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Accommodation, Sole Trader

“ Activity undertaken by Alexandrina Council and its ability to connect with business has helped mine. Their Business Hub in Cadell Street is a great place to connect with other businesses. ”

» Fleurieu Peninsula/McLaren Vale/Victor Harbor, Education and Training, Sole Trader

“ Environmental grants through Landscape SA. Business support programmes through Landscapes SA/RDA/Rural Business Support. ”

» Whyalla/Port Augusta/Far North, Agriculture, Forestry & Fishing, 1-4 employees

“ Due to rising flood waters and seepage, we were forced to close for 13 weeks, 9 without power due to water getting into our mains power. The govt grant of \$20,000...has been a great help. ”

» Riverland, Tourism, 5-9 employees

# The regions

## BAROSSA/GAWLER/LIGHT/ADELAIDE PLAINS

“Regional South Australia has more jobs than people. We need to grow our own solutions, develop our local talent, and attract families to populate our regions into the future.”

» Agriculture, Forestry & Fishing, 1-4 employees

### Confidence

#### SA confidence index:

88.9 points

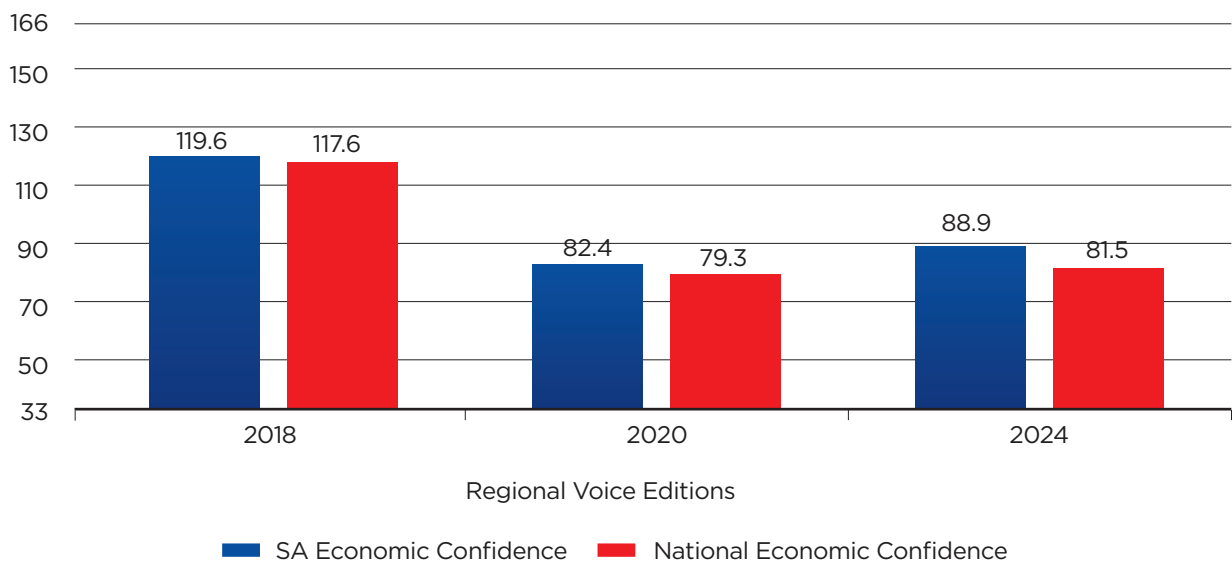
(Up 6.5 points from 2020)

#### National confidence index:

81.5 points

(Up 2.2 points from 2020)

Chart 44  
Economic Confidence  
Barossa/Gawler/Light/Adelaide Plains







Yalumba - Photographer: Heidi Lewis

### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Labour costs	Labour costs
2.	Skills and labour availability	Lack of tourism
3.	Lack of tourism	Skills and labour availability

*Lack of tourism* was selected by this region's respondents as both one of the top three issues constraining their business and their fellow businesses as well. No other region selected a lack of tourism as a top three issue in either category. The prominence of *labour costs* and *skills and labour availability* in the top three issues indicates that these issues will likely persist in the region.

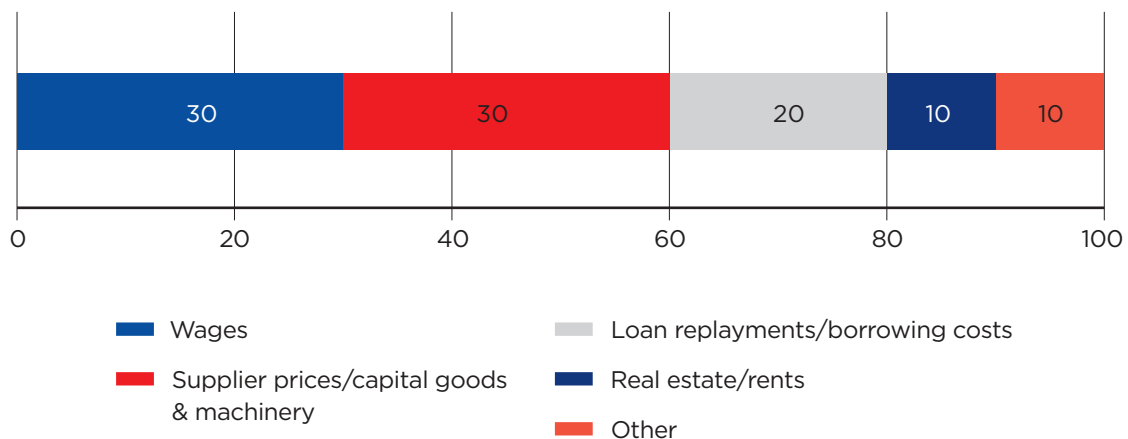
### Taxes & costs

Barossa, Gawler, Light, Adelaide Plains businesses also chose *company tax rates*, *payroll tax* and *personal income taxes* as their top constraining taxes. Interestingly, *supplier prices and capital goods* and *wages* were both the highest costs increase in the last year.

### Top constraining taxes

company tax  
payroll tax rates  
personal income tax

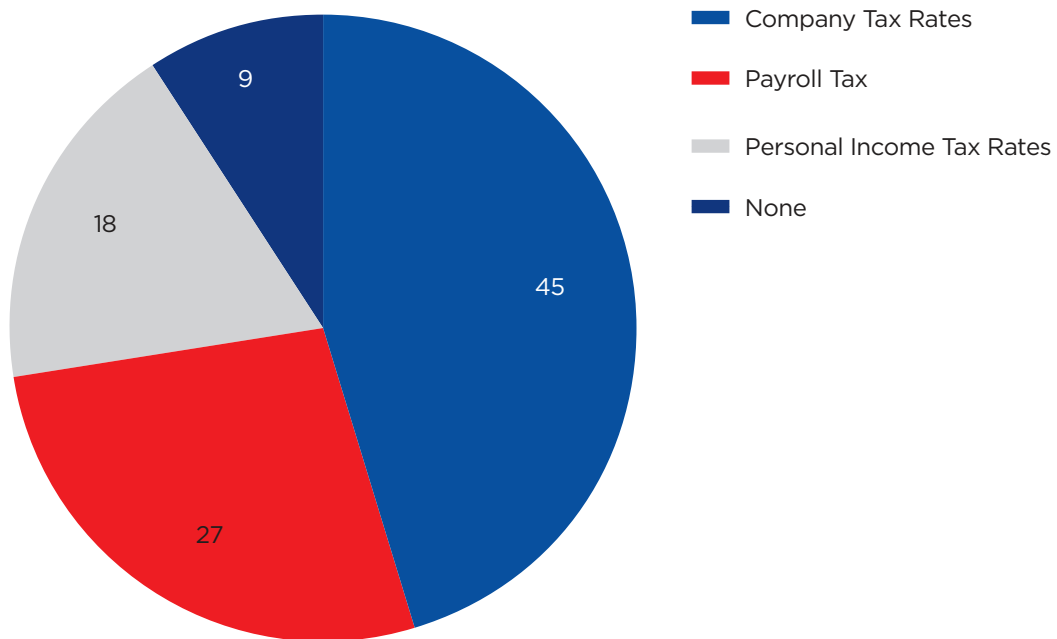
Chart 45  
Most Significant Cost Increase (%)  
Barossa/Gawler/Light/Adelaide Plains





Barossa Valley Chocolate Company – Photo: Tourism Australia / South Australian Tourism Commission

Chart 46  
Most Constraining Tax (%)  
Barossa/Gawler/Light/Adelaide Plains

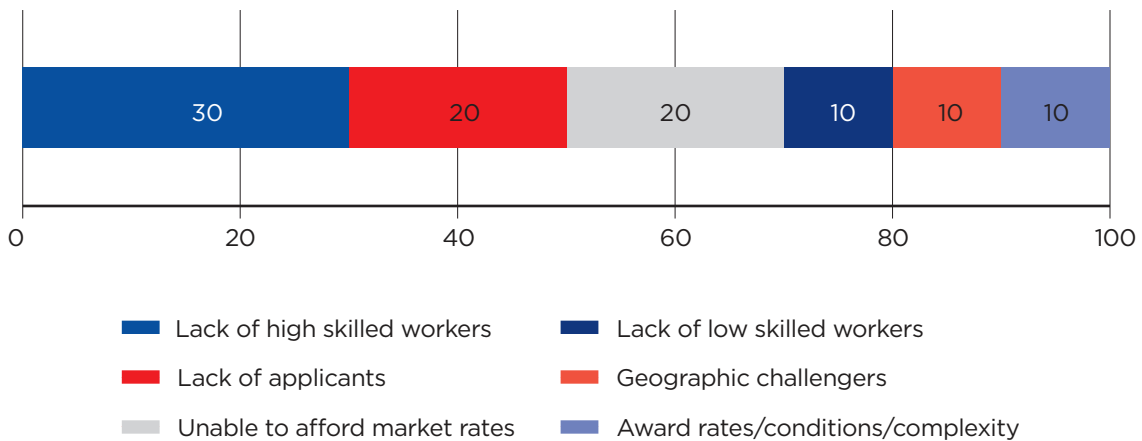


## Labour market & training

An encouragingly high 56% of Barossa, Gawler, Light, Adelaide Plains businesses *do not have a problem* related to training themselves or their staff, 30 percentage points lower than the total results. As we shall discuss further in the Murraylands section, this could be explained by proximity to Adelaide. Two thirds are unsure of their position on regional population growth, the other third is in favour – a near inversion of the full results. Some commenters voiced their wish to keep the area rural, fearing urban sprawl in the outer north of Adelaide.

Barossa, Gawler, Light, Adelaide Plains businesses identified the *availability of highly skilled workers* as their biggest labour market challenge. A third of these businesses are facing labour shortages, compared to more than half of all regional businesses. Despite this, *labour costs* remain the top concern for individual businesses and the region.

Chart 47  
Main Labour Market Challenge (%)  
Barossa/Gawler/Light/Adelaide Plains



## Successes

Encouragingly, this region had the smallest proportion of businesses experiencing labour shortages. When asked about success in their region, a noticeable proportion told us of improvements made in their business. Many noted the dedication and hard work of their staff.

“ Due to the lack of tourism in the Barossa we have had to change our strategy to look at more of a wholesale model and export model rather than a DTC/ tourism model. ”

» Wholesale Trade, 1-4 employees

Regional Development Australia's Strategic Plan 2022 - 2025 for the region names the Barossa brand, transport infrastructure and its environment as among its economic strengths. The ability to leverage these well into the future are key to the region's comparative advantage. Though the threat of water insecurity in a warming climate is a concern that they say is "a major priority" for the future prosperity of the region.<sup>26</sup>

## Government investment & compliance

Barossa, Gawler, Light, Adelaide Plains was the only region whose main infrastructure wish from government was projects and initiatives to attract tourists to the region - ranked first by a third of respondents. It is also the only region that mentioned a lack of tourism in both the top three issues for themselves and their fellow businesses. Interestingly, *environmental related compliance* was joint first in the most challenging compliance area for Barossa, Gawler, Light, Adelaide Plains businesses - joint first with *general tax requirements*.

“ Sustainability accreditation, HACCP, ISO 9000 and ESG Systems all seem to be imposed from EU as an effective restraint of trade to export markets ... the growth of the wine industry relies on export growth ... assistance to navigate these paths seamlessly and consistently as a unified industry would help greatly. ”

» Agriculture, Forestry & Fishing, 50-199 employees

### More of an issue for the region

- Supplier prices/capital goods and machinery prices
- Loan repayments and borrowing costs
- Attracting tourism

### Less of an issue for the region

- Labour shortages
- Training
- Housing

## EYRE PENINSULA/WEST COAST

“ The further away from Adelaide and metro areas, the more difficult it is to source trades, suppliers, employees and any labour requirements to support our business needs. ”

» Other, 20-49 employees

### Confidence

SA confidence index:

96.3 points

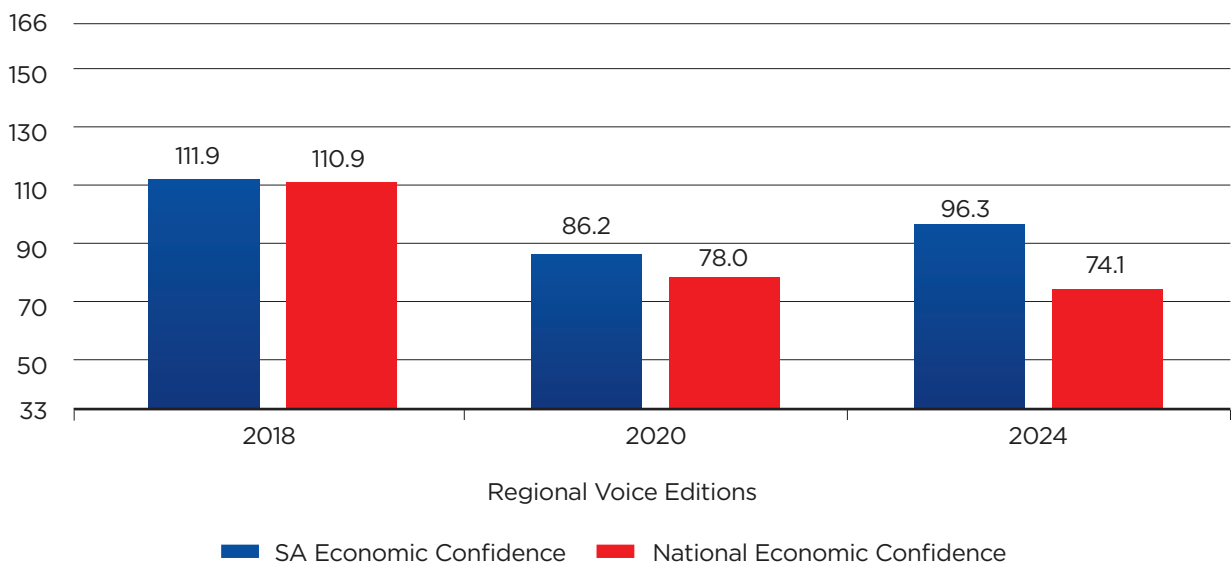
(Up 10.1 points from 2020)

National confidence index:

74.1 points

(Down 3.9 points from 2020)

Chart 48  
Economic Confidence  
Eyre Peninsula/West Coast





The significant disparity in confidence between Eyre Peninsula and West Coast businesses regarding the state and national economies is notable, with respondents expressing far more confidence in South Australia than in the wider nation.

### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Skills and labour availability	Economic infrastructure requirements
2.	Labour costs	Labour costs
3.	Economic infrastructure requirements	Skills and labour availability

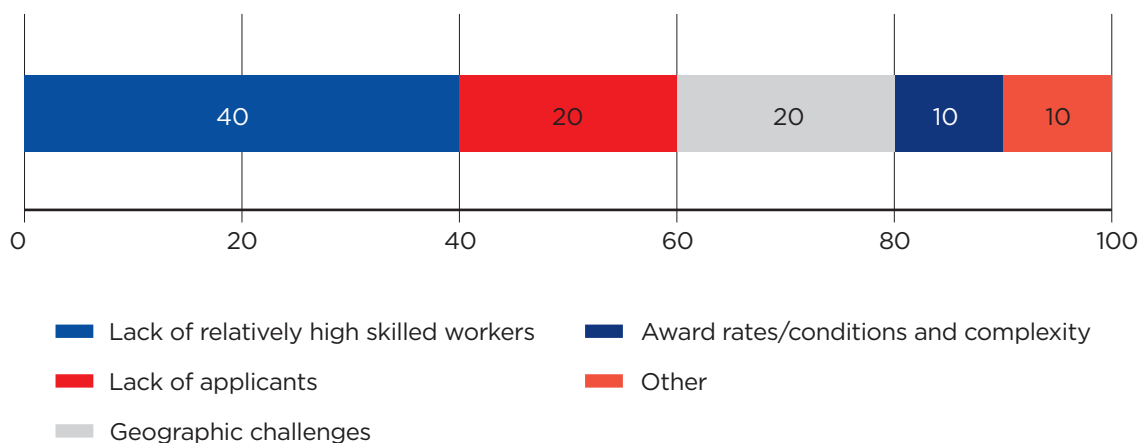
### Labour market & population

Labour market challenges in the Eyre Peninsula and West Coast region closely mirror those in the rest of regional South Australia. The most prominent issues include a shortage of *relatively high-skilled workers* and a general *lack of applicants*. However, a slightly higher proportion of businesses in this region are facing labour shortages compared to the statewide average.

Interestingly, a majority of firms on the Eyre Peninsula and West Coast do not support increased population growth in the region. Commenters often cite housing as a major obstacle, with access to housing being identified as the most critical issue requiring government support in the region.

Small businesses are crucial to the local economy of the Eyre Peninsula and West Coast region. All survey respondents from this region employ fewer than 50 employees, with 86% employing fewer than 20. Additionally, 24% are sole traders.

Chart 49  
Main Labour Market Challenge (%)  
Eyre Peninsula/West Coast





## Economic infrastructure

Given its expansive size, it's understandable that respondents prioritise improvements to *economic infrastructure*, particularly roads, in the Eyre Peninsula and West Coast region. This region stands alone in naming roads and other *economic infrastructure* among the top three issues facing their own businesses and those in their area, with roads being seen as the top concern for local businesses. Notably, in March this year the outgoing federal member for the region, Rowan Ramsey MP, highlighted his pride in securing “unprecedented investment” in road construction during his tenure.<sup>27</sup>

## Taxes & costs

*Return to Work Premiums* scored significantly higher than the survey average with many businesses perceiving these premiums as excessive. There was a tie with *company tax* and *personal income tax* as the most burdensome tax for the region.

On the Eyre Peninsula and West Coast, *fuel* costs were identified as the most impactful expense increase over the previous 12 months, cited by 40% of businesses compared to 15%

in the survey overall. This is understandable given the region is vast and sparsely populated. Interestingly, while *wages* were the predominant cost increase in the broader survey, they ranked fourth in terms of concern for businesses in this region.

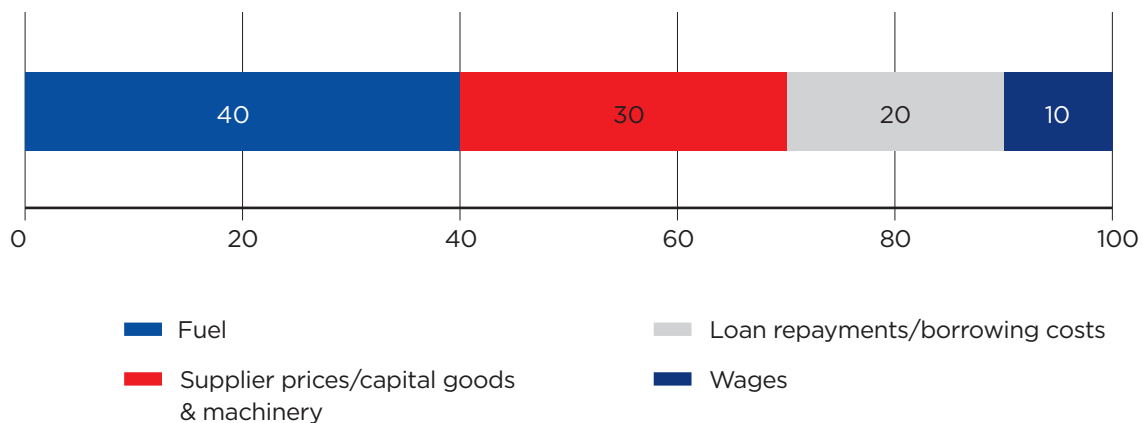
## Compliance

Businesses on the Eyre Peninsula and West Coast highlighted a wide array of compliance requirements as their most burdensome, with many noting *duplication across different levels of government* and increasing challenges with *general reporting obligations*.

“ It is a fulltime job to keep up with changes and penalties are extreme for oversight or employee errors. ”

» Transport, Postal and Warehousing, 10-19 employees

Chart 50  
Most significant cost increase (%)  
Eyre Peninsula/West Coast



“ Fulfilling government tenders has become impossible to deliver. Expectations and almost complete transfer of risk to the builder is no longer viable. This company has decided to no longer do any works for the government. ”

» Construction, 10-19 employees

### Successes

The survey responses reflect optimism about the future of the region. Residents have good reason for this optimism, as the Eyre Peninsula (including Whyalla) boasts a pipeline of future projects valued over \$14 billion, which could create more than 25,000 new jobs. Regional Development Australia aims to leverage the region's significant natural advantages to diversify the economy with emerging industries.<sup>28</sup>

The responses from Eyre Peninsula and West Coast businesses in the Regional Voice survey regarding recent beneficial changes to their businesses were notably varied and illustrate their adaptability. Some businesses attributed their success to improved weather conditions for agriculture and enhanced product offerings, while others credited events like Black Friday and Christmas sales. Another highlighted the positive impact of hiring overseas staff. Additionally, a significant number of businesses in the region attributed their success to various grant funding they have secured.

“ Acquisition of a new building and the set-up of our new factory (no funding provided all self-funded - we wish we did qualify for something!). The continued success of our local builders enables us to be busy. ”

» Manufacturing, 10-19 employees

“ Tourism continues to grow on the Eyre Peninsula and a lot of contractors are in town. ”

» Retail Trade, 20-49 employees

A favourite response was from the respondent who attributed their success to “hard work, grit, determination, and a few swear words.”

#### More of an issue for the region

- Road infrastructure
- Labour shortages
- Fuel prices

#### Less of an issue for the region

- Energy costs
- Insurance
- Long-term outlook

*Eyre Peninsula - Oyster Farm Tours - Photo: Tourism Australia / South Australian Tourism Commission*



# FLEURIEU PENINSULA/McLAREN VALE/VICTOR HARBOR

“ We have decided not to employ extra staff due to increased wage rates and super. All current staff members work very hard to make sure service quality remains the same for customers; however, this is not sustainable. ”

» Rental, Hiring and Real Estate Services, 1-4 employees

## Confidence

SA confidence index:

87.7 points

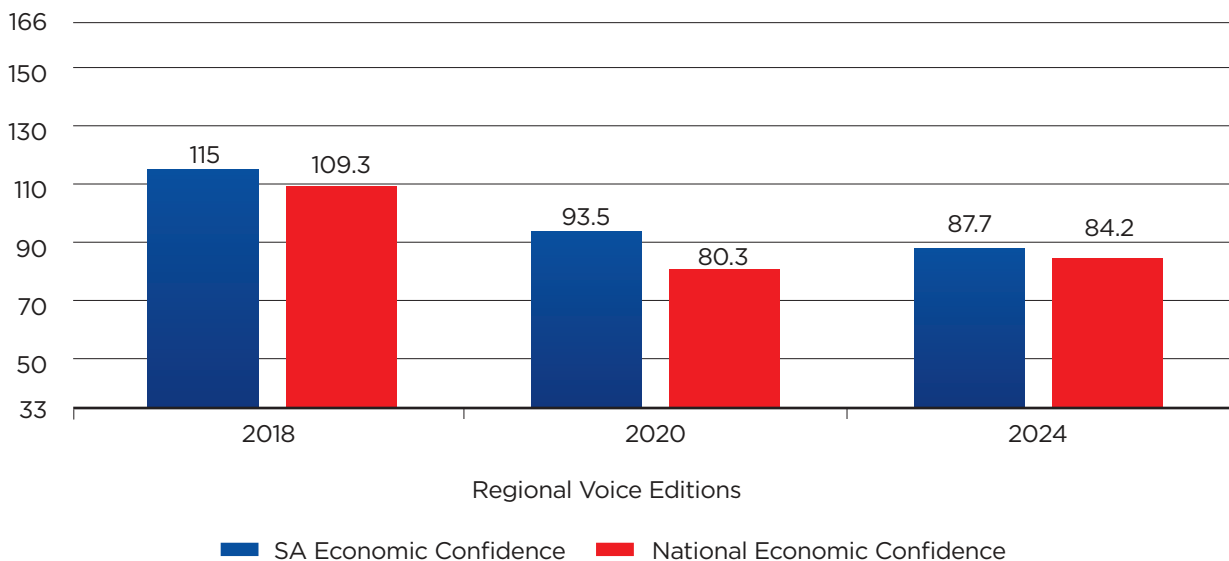
(Down 5.8 points from 2020)

National confidence index:

84.2 points

(Up 3.9 points from 2020)

Chart 51  
Economic Confidence  
Fleurieu Peninsula/McLaren Vale/Victor Harbor





### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Labour costs	Labour costs
2.	Skills and labour availability	Skills and labour availability
3.	Energy costs	Access to housing

Businesses in the Fleurieu Peninsula, McLaren Vale, and Victor Harbor region, much like the overall results, identify *labour costs* and *availability* as the primary concerns affecting their operations and the local community. *Labour costs* received 40% of first-place votes from respondents regarding their own businesses and 30% for the region’s most significant issue. With *labour availability* as the secondary concern, businesses capable of hiring more staff may witness further wage increases in the region. *Access to housing* was the third most prominent issue constraining fellow businesses in the region, compared to sixth for the survey. This may have been influencing respondents’ views on population growth as we will discuss.

### Labour market

There is a significant diversity of sentiment and experience in the region. The most frequent response regarding labour market challenges was “*I have no labour market challenge,*” selected by 30% of respondents, making it the only region where this response was predominant. The region also faces less of an issue with *lack of applicants* for positions, and a smaller proportion of businesses are experiencing labour shortages compared to the rest of regional South Australia.

Additionally, “*None of the above*” was the most common response regarding issues respondents faced with training their staff. While labour costs and availability remain concerns for the region, there is a clear divide between businesses for whom these are key issues and those for whom they are not issues at all, with very little middle ground among Fleurieu Peninsula, McLaren Vale, and Victor Harbor businesses.

Chart 52  
**Most Significant Cost Increase (%)**  
**Fleurieu Peninsula/McLaren Vale/Victor Harbor**

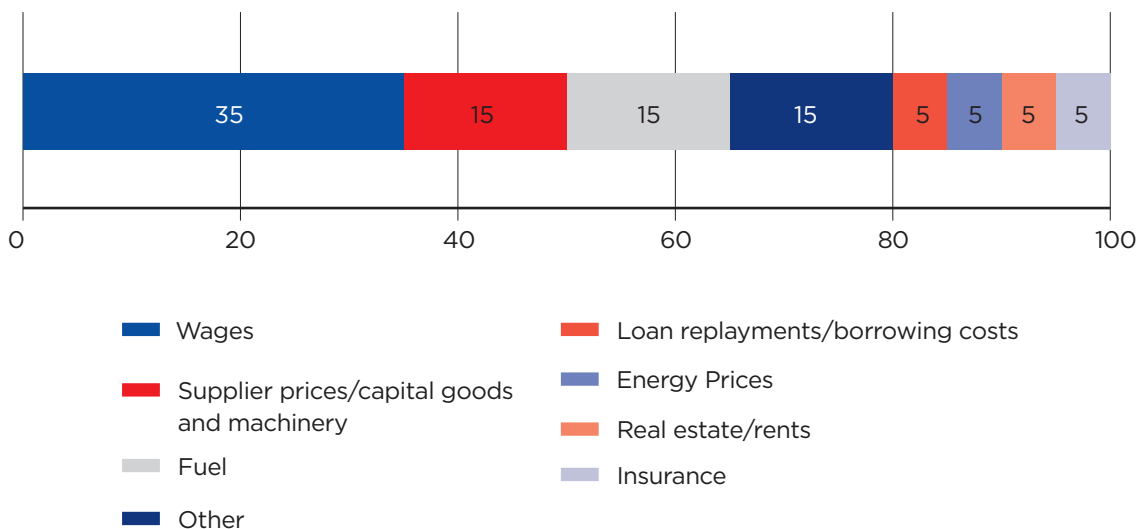
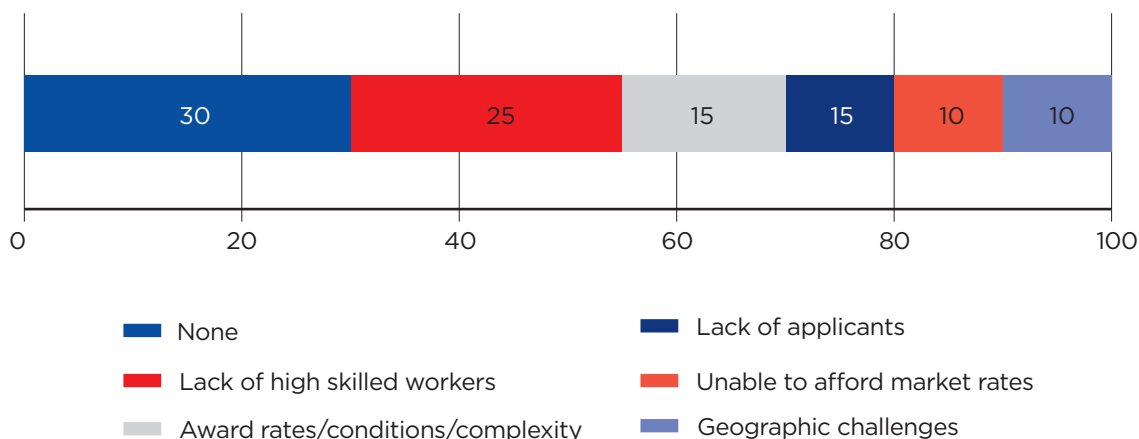


Chart 53  
**Main Labour Market Challenge (%)**  
**Fleurieu Peninsula/McLaren Vale/Victor Harbor**



## Taxes & compliance

*Payroll tax, company tax, and personal income tax* tied for the most burdensome taxes in the region, each receiving 24% of first-place votes. For Fleurieu Peninsula, McLaren Vale, and Victor Harbor businesses, the most costly compliance or regulatory procedure was *industrial relations laws and the awards system*, which garnered 41% of the votes—ahead of *tax requirements* in second place, selected by 29% of businesses. Interestingly, 30% of surveyed businesses in the Fleurieu Peninsula, McLaren Vale, and Victor Harbor operated in either the manufacturing or hospitality sectors, where compliance with industrial relations laws is particularly challenging.

No respondent in the region selected *local government laws and regulations, or duplication of requirements between levels of government* as a top compliance challenge. Indicating that government, especially at the local level is operating relatively efficiently.

## Costs

*Wages* were by a large margin the most impactful cost increase in the last 12 months. Whilst *insurance* was only selected by 5% of the region’s respondents as their most challenging cost increase in the last 12 months.

The testimony of some in the region about their insurance costs show not just how challenging this has been, but by extension, how challenging other costs that were selected more frequently have become such as *wages* and *supplier prices*.

“ Our premiums have gone up significantly over the past 2-3 years. To save costs we have removed having plant & equipment insurance as the premium and excess was too high. ”

» Hospitality, 20-49 employees

“ Over 100% price increase in 3 years, excess has gone up from \$500 per claim to \$5000 per claim. No choice in changing as other option was more expensive. ”

» Hospitality, 10-19 employees

“ Premiums increased from \$180k in 2021 to \$264k in 2023. Major rise was in business, liability and professional indemnity. We have reviewed and got quotes. ”

» Agriculture, Forestry and Fishing, 20-49 employees

## Population & infrastructure

Businesses in the Fleurieu Peninsula, McLaren Vale, and Victor Harbor region were among the least supportive of increased population growth in regional South Australia, with 40% expressing support, 40% unsure, and 20% unsupportive. This stance is notable given the region had a higher proportion of businesses experiencing fewer labour market challenges compared to others and the highest average house prices in regional South Australia, reflecting respondents' concerns about housing when discussing population growth.

Investment to *increase housing stock* tied with *investment in roads* as the most pressing infrastructure requirement among businesses in the Fleurieu Peninsula, McLaren Vale, and Victor Harbor, each receiving 26% of first-place votes.

### More of an issue for the region

- Labour costs
- Compliance and regulatory burden
- Housing

### Less of an issue for the region

- Mental health
- Training
- Energy costs



Fleurieu Peninsula - Horse Drawn Tram Victor Harbor -  
Photo: Graham Scheer



# KANGAROO ISLAND

“ Lowering the costs of getting to the island would be good - appreciate that it is lower for residents but now it’s more expensive for tourists and that’s surely dropping visitor numbers. Same with airfares being insanely expensive - if there was a way for government to lower this it would be good. ”

» Accommodation, 1-4 employees

## Confidence

SA confidence index:

109.5 points

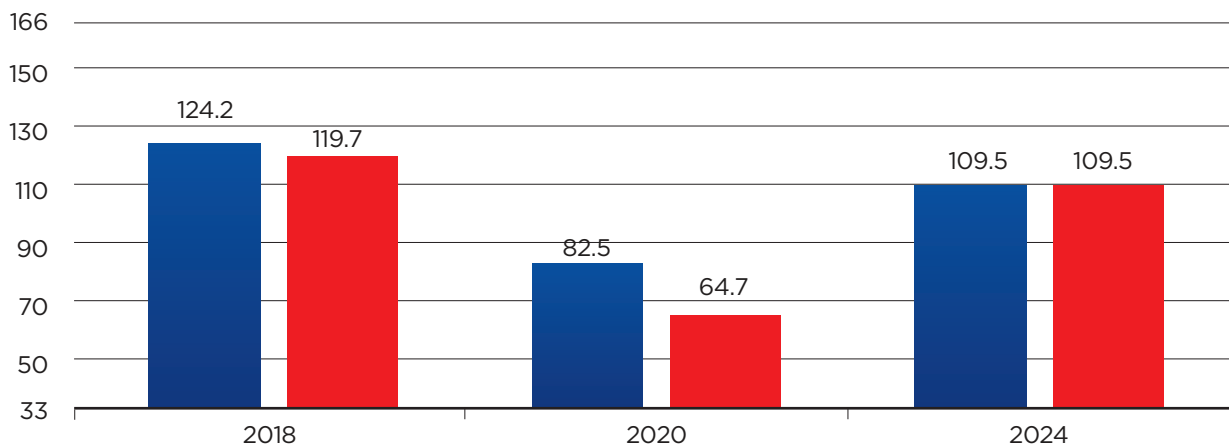
(Up 27 points from 2020)

National confidence index:

109.5 points

(Up 44.8 points from 2020)

Chart 54  
Economic Confidence  
Kangaroo Island



Regional Voice Editions

■ SA Economic Confidence ■ National Economic Confidence



*Island Beehive - South Australian Tourism Commission -  
Photographer: Charlie Conybeare*

## Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Energy costs	Skills and labour availability
2.	Economic infrastructure requirements	Lack of consumer demand
3.	Council rates and operations	Council rates and operations

## Biographics

Kangaroo Island presents a distinct environment compared to other regions in South Australia, with a much smaller population and unique industries. 61% of respondents on Kangaroo Island employ fewer than 5 employees, and 56% are in the accommodation, hospitality, or tourism sectors—significantly higher than the survey average of 16%.

## History, housing & population

Accommodation, hospitality, and tourism were severely impacted by COVID-19, significantly affecting Kangaroo Island's local economy throughout 2020. However, the impact was less than initially anticipated, as mainland South Australians could travel to the island more freely than they could into other parts of the country.

The most profound impact to the region were the January 2020 bushfires that burned approximately a third of the island. The process of insurance evaluations for lost or damaged homes has taken years to complete, placing a significant strain on the island's housing stock that persists today. Consequently, Kangaroo Island respondents expressed less enthusiasm for population growth compared to other regions. Responses were evenly split between approval, disapproval, and uncertainty, often citing concerns about infrastructure and housing.

“ There is no housing for population growth - even though it would be amazing. No housing means it either can't happen or causes great stress when people move without housing.

» Accommodation, 1-4 employees ”

“ Population growth needs appropriate infrastructure which KI is lacking. We are in urgent need of town planning across the Island. I think our local Council is not coping with our growth.

» Accommodation, 1-4 employees ”

## Taxes

Despite the relative size of businesses on Kangaroo Island, *payroll tax* remains the most constraining tax, with 75% of businesses with 10 or more employees viewing it as their biggest burden. For smaller businesses, *council rates* were the most constraining tax, coming in second overall. There is widespread dissatisfaction with the council, as local government laws and regulations are seen as the most challenging compliance procedures for KI businesses.

The council's most recent business plan shows a troubling trend, with the operating surplus/deficit ratio dropping from +3.4% to -12% in just two years. Despite this, in the 2022-23 financial year, rates increased by 6%, and the Valuer General revised the value of properties on the island upwards by 26%, or \$566 million, in just one year.<sup>29</sup>

## Training

Kangaroo Island has faced persistent training problems since the closure of TAFE on the island several years ago. The primary pain point for businesses regarding training is its cost. This includes not only the expenses businesses incur for training their staff by sending them to the mainland, but also the rising costs of services provided on the island.

*“Tafe SA currently charges the regions 3 times the cost of a private RTO to provide legislated training. Businesses rely on this training to remain compliant and continue to operate.”*

» Hospitality, 10-19 employees

*“Kangaroo island has few trained locals for work... More local funding for professional training is needed.”*

» Accommodation, 1-4 employees

*“Tafe needs to position itself better for the regions. Cheaper, faster and delivery options to suit regional businesses are needed.”*

» Hospitality, 10-19 employees

## Costs

Transport costs are understandably a significant constraint for businesses on the island. Both locals and tourists would like to see these costs decrease and accessibility improve.

“ The cost of ferry travel has impacted us greatly with guests booking and then cancelling once they find out how much it will cost to get to Kangaroo Island. ”

» Accommodation, 1-4 employees

“ We have one ferry and some hit and miss airlines. When the ferry doesn't run, we get no tourists. This winter the ferry breakdowns, scheduled and unscheduled maintenance have impacted all tourism operators. ”

» Hospitality, 10-19 employees

Chart 55  
Most Significant Cost Increase (%)  
Kangaroo Island

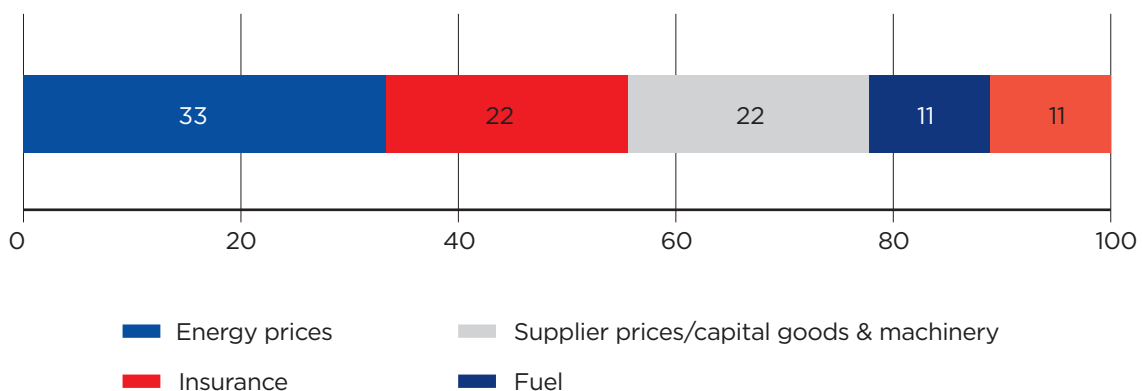
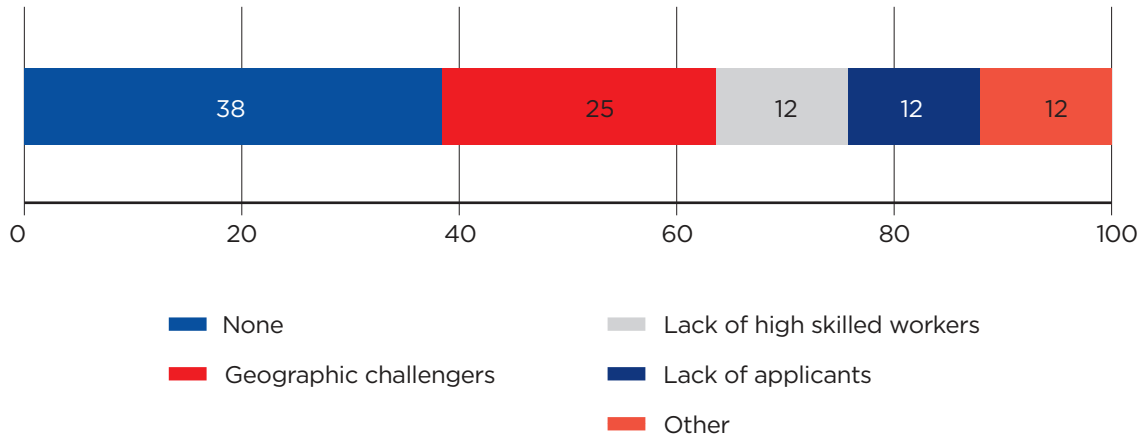




Chart 56  
Main Labour Market Challenge (%)  
Kangaroo Island



**More of an issue for the region**

- Housing
- Training
- Council rates and operations

**Less of an issue for the region**

- Labour costs
- Labour shortages
- Industrial Relations laws

# MURRAYLANDS/MT BARKER/STRATHALBYN/ADELAIDE HILLS

“Murray Bridge region is primed for growth... More public and private investment in the area would support this greatly.”

» Hospitality, 10-19 employees

## Confidence

SA confidence index:

96.3 points

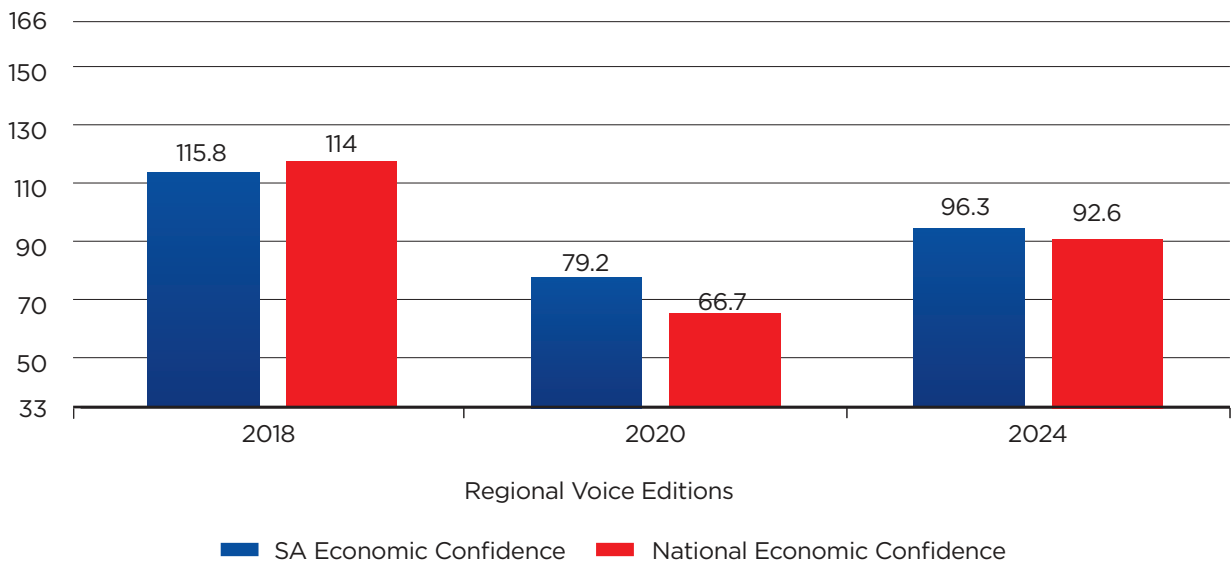
(Up 17.1 points from 2020)

National confidence index:

92.6 points

(Up 25.9 points from 2020)

Chart 57  
Economic Confidence  
Murraylands/Mt Barker/Strathalbyn/Adelaide Hills







**HAHNDORF**

**EST. 1839**

### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Skills and labour availability	Labour costs
2.	Labour costs	Council rates and operations
3.	Council rates and operations	Skills and labour availability

The top three issues for individual businesses and those across Murraylands, Mt Barker, Strathalbyn, Adelaide Hills were the same. While *skills and labour availability* was a major concern common across all regions, *council rates and operations* was a unique concern for the region. Many are frustrated with council rates, which Murraylands, Mt Barker, Strathalbyn, Adelaide Hills businesses selected as their most constraining tax twice as often as businesses in other regions. The Murray Bridge Council's net financial liabilities ratio was 72.7% in 2022, more than three times the state average of 21.2%.<sup>30</sup> Additionally, its employee costs make up around 45% of operating expenditure, compared to 28% to 35% for other comparable councils.<sup>31</sup>

### Biographics

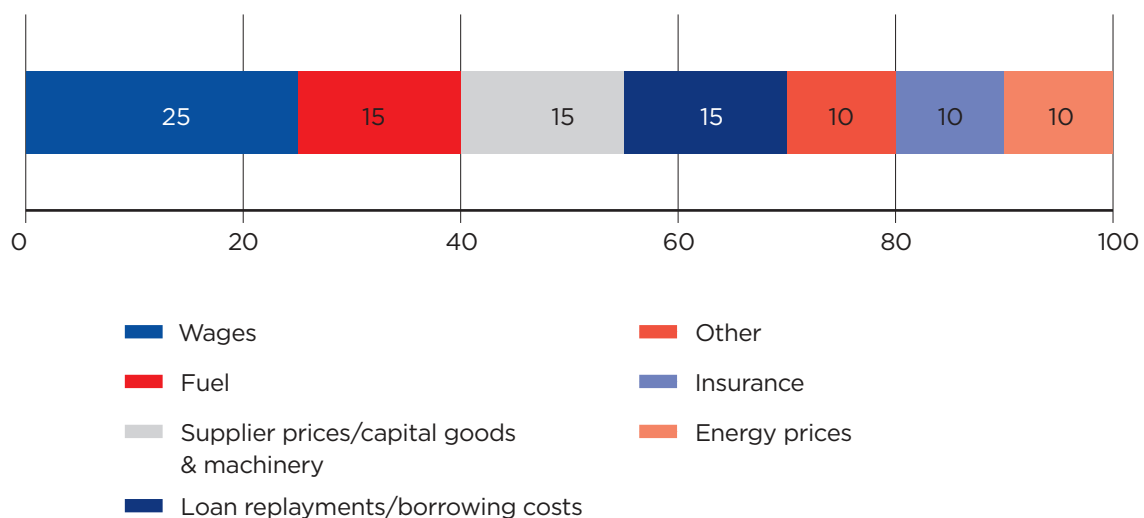
In the Murraylands, Mt Barker, Strathalbyn, and Adelaide Hills region, 21% of surveyed businesses were in the manufacturing sector, with another 13% in retail. Our sample also skews toward larger businesses, with 26% having 50 or more employees, compared to 14% more broadly.

### Taxes & costs

First-place votes for the most constraining tax were spread across several categories: *company tax rates* (25%), *council rates* (20%), *Return to Work premiums* (20%), *payroll tax* (15%), and *none* (15%). While *Return to Work premiums* are the primary tax concern for 8% of survey respondents overall, they are the top concern for 20% of businesses in the Murraylands, Mt Barker, Strathalbyn, and Adelaide Hills region.

Similarly, responses on what costs have been the most significant in the previous 12 months were quite varied, with *wages* remaining the most costly, receiving 25% of votes, compared to 31% in the survey. *Loan repayments/borrowing costs* are more of an issue for the region, selected by 15% of respondents as their biggest price rise compared to 8% throughout regional SA.

Chart 58  
**Most Significant Cost Increase (%)**  
**Murraylands/Mt Barker/Strathalbyn/Adelaide Hills**



## Labour market

The main issues facing businesses in Murraylands, Mt Barker, Strathalbyn, and Adelaide Hills are the *lack of relatively high skilled workers* and a *shortage of applicants* for open positions, which are more problematic here than in regional SA as a whole, by 5 and 10 percentage points respectively. This indicates that finding a quality match for job openings is a significant challenge in the region.

## Training

Compared to other regions, businesses in Murraylands, Mt Barker, Strathalbyn, and Adelaide Hills face fewer issues related to staff training, with 35% reporting *no issues* at all – and this is possibly due to their proximity to Adelaide. Only 18% cited *costs* as their top challenge, 6% mentioned *having to send employees to Adelaide or interstate*, and 12% pointed to a *lack of local training options*. These figures are significantly lower than those in more isolated and sparsely populated regions and the survey’s overall results.

## Population

Interestingly, despite being perhaps the most urbanised region we have surveyed, Murraylands, Mt Barker, Strathalbyn, and Adelaide Hills businesses are the most supportive of increased population growth in regional South Australia. A significant 89% gave their support, with the remaining respondents unsure; none were against increased population growth in the region.

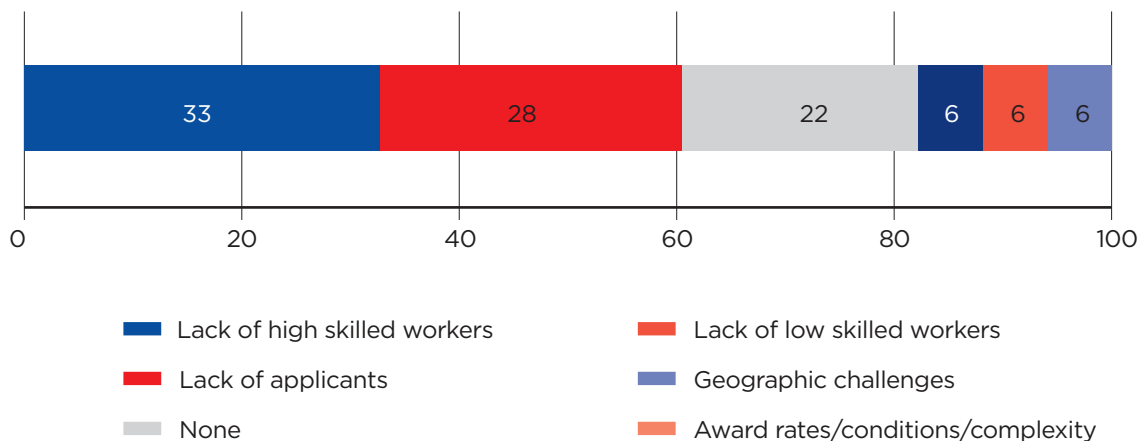
**More of an issue for the region**

- Council rates and operations
- Return to Work premiums
- High skilled labour availability

**Less of an issue for the region**

- Training
- Population growth
- Lack of applicants for roles

Chart 59  
**Main Labour Market Challenge (%)**  
 Murraylands/Mt Barker/Strathalbyn/Adelaide Hills



# RIVERLAND

“ It’s the toughest conditions I’ve seen in business since the 1980’s when I was operating with 29% overdraft interest.”

» Agriculture, Forestry and Fishing, 5-9 employees

## Confidence

SA confidence index:

87.9 points

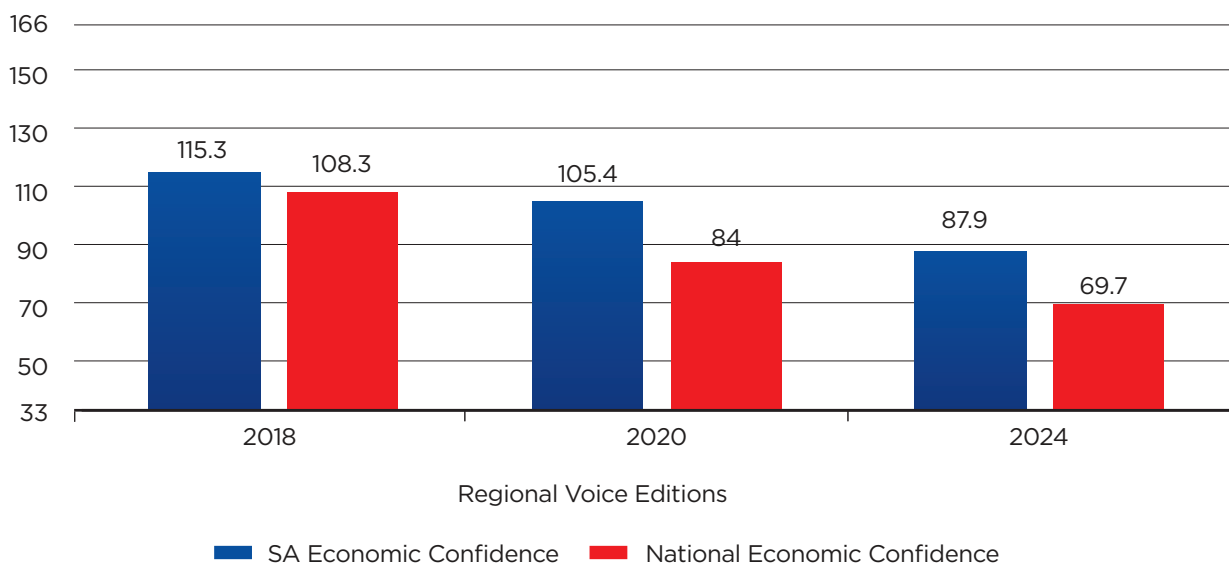
(Down 17.5 points from 2020)

National confidence index:

69.7 points

(Down 14.3 points from 2020)

Chart 60  
Economic Confidence  
Riverland



*Tourism Australia / South Australian Tourism  
Commission - Photographer: Morgan Sette*



### Top 3 issues

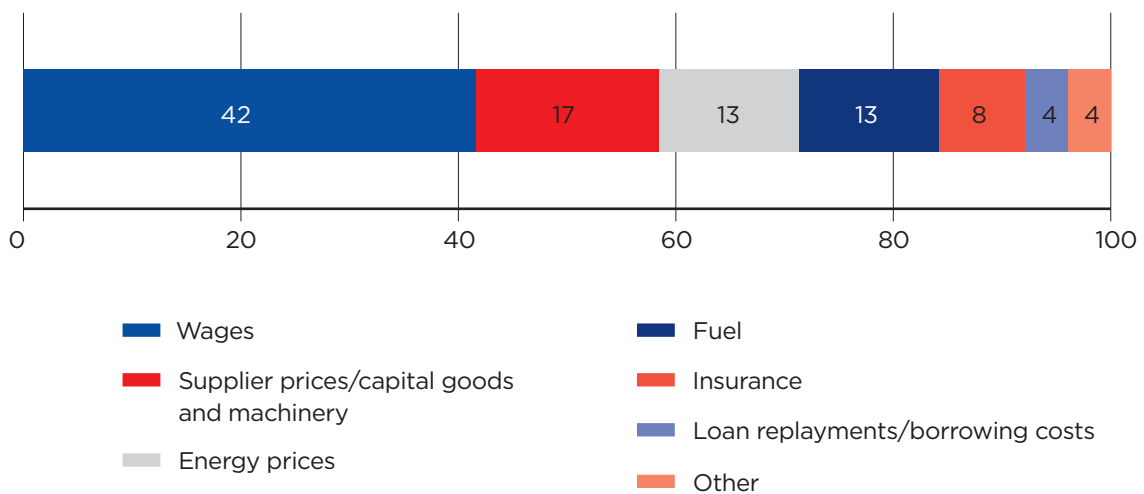
	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Labour costs	Energy costs
2.	Lack of consumer demand	Labour costs
3.	Energy costs	Access to housing

The Riverland is unique among regions in identifying *energy costs* as the top issue facing local businesses. It stands alone in listing *energy costs* among the top three concerns for both its own businesses and others in the region. Additionally, 13% of Riverland businesses cited *energy costs* as the most impactful cost increase in the previous 12 months, marking a 4-percentage point increase over the survey's results. These findings underscore the significant impact of recent energy price rises in the area.

### Labour market, business conditions & mental health

A smaller percentage of Riverland businesses are currently experiencing labour shortages compared to the rest of the state (43% vs. 53%). However, *wages* was the highest cost increase for the region, cited by 42% of Riverland businesses compared to 31% across all regional areas. These costs, impacting both businesses and consumers, could be contributing to the second most pressing issue for individual businesses: *lack of consumer demand*, identified by 17% of respondents. No other region listed this among their top three business concerns. Given these conditions, it is unsurprising that the Riverland is, on average, the second most pessimistic region regarding economic conditions for the state and country. Unfortunately, self-reported mental health concerns among Riverland business operators were also worse than the average.

Chart 61  
Most Significant Cost Increase (%)  
Riverland



## Compliance & taxes

Riverland businesses are notably more frustrated with bureaucracy compared to other regions in South Australia. A significant 39% identified the top government priority as *lowering government-controlled business costs* such as payroll tax, licenses, and council rates. This is well above the 22% of businesses in the broader survey who selected this as their first preference.

Additionally, 28% of Riverland respondents identified *payroll tax* as their most constraining tax, a figure that rises to 50% among businesses employing 10 or more people. This issue is particularly acute in regions like the Riverland and South East, where businesses also compete with firms from regional Victoria who have a much lower payroll tax burden.

## Investment & infrastructure

A significant 17% of Riverland businesses identified improving *telecommunications and digital infrastructure* as the most urgent government investment need. Of all businesses statewide that prioritised this investment, 31% were located in the Riverland.

Business conditions in the Riverland have been particularly challenging, exacerbated by the devastating floods during 2022/23, which caused extensive damage. These floods were the biggest since 1956 and the third largest flood recorded in South Australia with approximately 3500 properties and 4000 hectares of land being affected.<sup>32</sup>

“ It was a very stressful time during the flood with the very real likelihood of our business being lost. But the team pulled together and kept things going and we had members of the public who don't normally volunteer come in and help get many valuable items off site and onto higher, dry, secure premises. ”

» **Tourism, 5-9 employees**

“ In very general terms as our business gets bigger and we are involved with more people and more compliance the desire to grow the business becomes less of our focus. ”

» **Agriculture, Forestry and Fishing, 50-199 employees**

“ Our insurance has increased by about 30% since the flood last year, but we’re nowhere near the river. We just have to suck it up. ”

» Agriculture, Forestry and Fishing, 5-9 employees

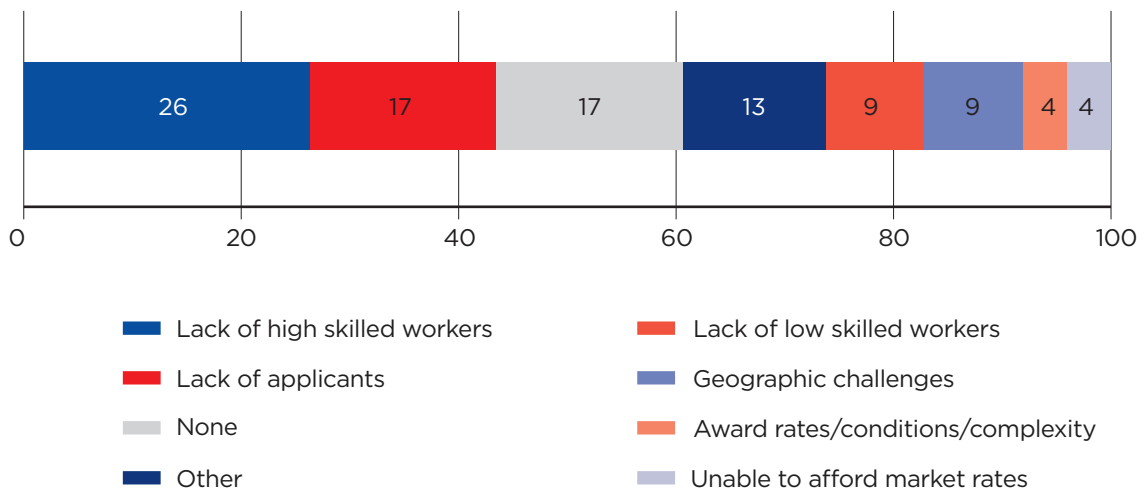
**More of an issue for the region**

- Energy costs
- Lack of consumer demand
- Telecommunications and digital infrastructure

**Less of an issue for the region**

- Labour shortages
- Population growth
- Road infrastructure

Chart 62  
Main Labour Market Challenge (%)  
Riverland





*Riverland - Murray River Trails - Photo: Tourism Australia /  
South Australian Tourism Commission*



## SOUTH EAST

“Regional Australia is beautiful and a wonderful place to raise a family and live. More needs to be done to keep people in regional locations and take the pressure of city resources.”

» Agriculture, Forestry and Fishing,  
1-4 employees

### Confidence

SA confidence index:

80.3 points

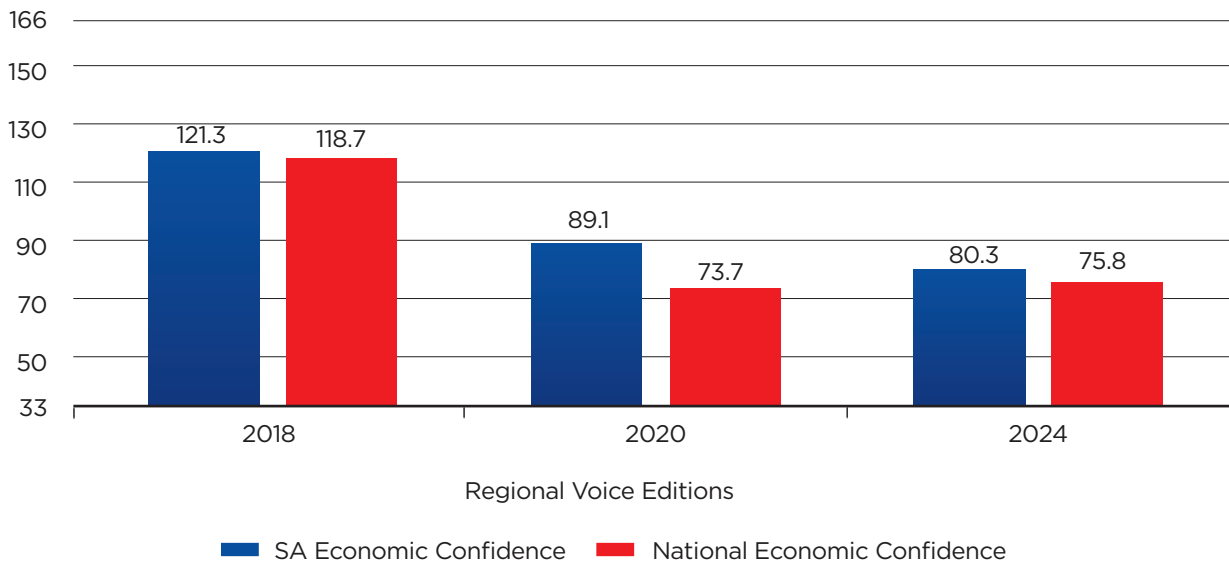
(Down 8.8 points from 2020)

National confidence index:

75.8 points

(Up 2.1 points from 2020)

Chart 63  
Economic Confidence  
South East





### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Skills and labour availability	Skills and labour availability
2.	Energy costs	Energy costs
3.	Telecommunications and digital infrastructure	Economic infrastructure requirements

On average, the South East is the most pessimistic about the future performance of the economy.

### Biographics

Agriculture, Forestry and Fishing businesses accounted for 37% of South East businesses surveyed, which is more than double the percentage found in the rest of the survey. Medium to larger businesses were also well represented, with 36% of respondents reporting between 20 and 49 employees.

### Costs, population & insurance

Wages was the predominant cost increase for South East businesses in the last 12 months, selected by 40% of respondents, 9 percentage points higher than the total survey results. South East businesses are also experiencing higher rates of labour shortages compared to the rest of regional SA. This may explain their enthusiasm for increased population growth, which is well above the state average.

The second most impactful cost increase, affecting 18% of businesses, was *insurance* — more than double the statewide results. This is particularly relevant to agriculture, which dominates the region. These price rises have been significant for South East businesses, despite relatively stable climatic conditions over the last few years.

“ Although we have not made any claims or operate in a region that has suffered an extreme weather event, our premiums have increased to cover the costs to [sic] insurance companies or other regions’ or industry’s claims. ”

» Agriculture, Forestry and Fishing, 5-9 employees

“ We have stripped our insurance policy down to the bare minimum yet the fees went from \$17K to \$24K in one year. We are at the point that we don’t think we can afford to have an insurance policy anymore. ”

» Agriculture, Forestry and Fishing, 1-4 employees

“ Prices up 11% in FY 23, now working on how to manage costs/premiums through WHS commitments and ESG company policies. Excess went from \$1000 to \$2500 without notice, we managed to argue down for FY23 but not for FY 24. ”

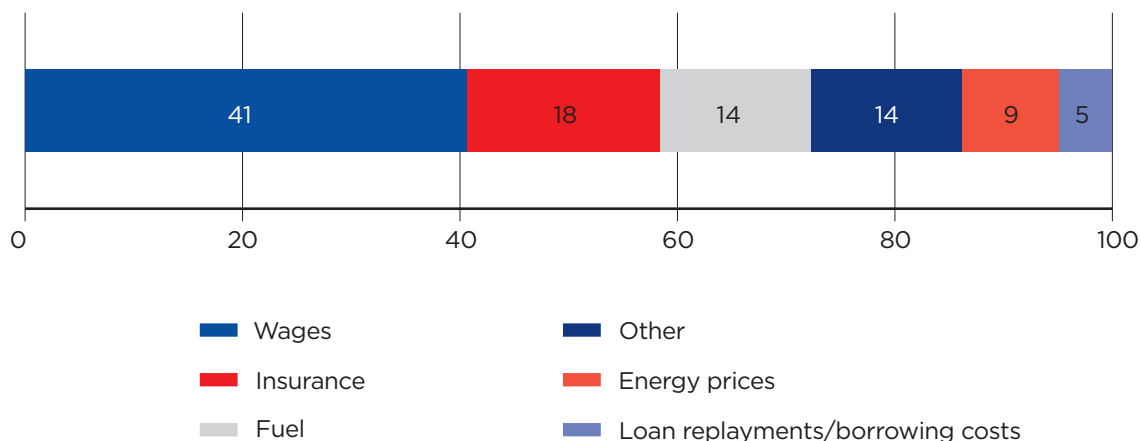
» **Tourism, 20-49 employees**

“ Our insurance premiums have stayed fairly steady, but what the coverage actually covers has been diminished. Eg Flood has been excluded from all our policies. ”

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

Individual South East businesses provided vivid examples of the cost increases they are grappling with, including a more than doubling of *energy costs*, *labour costs* rising by more than a third, and reports of diesel prices. These cost escalations call for difficult decisions and trade-offs that businesses must navigate daily to remain competitive and sustain regional prosperity. Managing these costs effectively is crucial for the well-being of the local community.

Chart 64  
**Most Significant Cost Increase (%)**  
**South East**



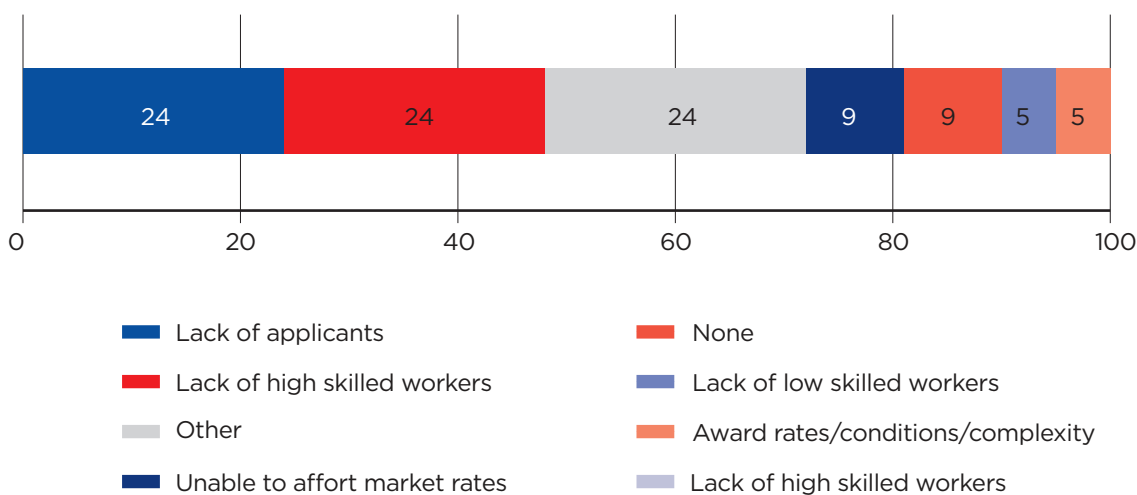
## Training

The two most cited issues regarding training in the South East were *lack of local options* and *having to send employees to Adelaide for training*. These options were selected approximately 20 percentage points more by South East businesses compared to the rest of regional South Australia, highlighting the extremely limited training opportunities available to businesses in the region.

“ Simple really, the Government and the head office of Tafe or other training providers need to look at improving the training opportunities in the South East. ”

» Manufacturing, 10-19 employees

Chart 65  
Main Labour Market Challenge (%)  
South East



“ During COVID there were a lot of online training options which was great in a regional area, however after COVID [they] stopped which means the cost of the course once travelling, lost time in travelling and accommodation makes the cost of the course too expensive.

» Information, Media and Telecommunications, Sole Trader ”

## Investment & infrastructure

South East business operators overwhelmingly identified *improved road infrastructure*, *increased housing stock*, and *lower business costs* as areas requiring government support or investment.

Among South East businesses employing 10 or more people, 42% consider *payroll tax* their most constraining tax, with an additional 25% ranking it as their second most constraining. Further, 50% of the region's businesses employing 10 or more cite *wages* as their most impactful cost increase in the last year—a figure 9% higher than the statewide survey results. This indicates that these businesses are facing higher payroll tax burdens due to bracket creep, potentially reducing their competitiveness against Victorian counterparts.

The South Australian Business Chamber has proposed a 50% payroll tax discount for eligible regional businesses. The current tax rate for a payroll of \$1.7 million and above is 4.95%. This initiative, if implemented, could significantly benefit much of the South East, which competes with Victorian businesses directly across the border who are subject to a much lower payroll tax rate of 1.2125%. A regional payroll tax discount could empower South East businesses to expand their workforce, and grow with greater confidence and encourage new investment in the region.

### More of an issue for the region

- Energy costs
- Insurance
- Telecommunications and digital infrastructure

### Less of an issue for the region

- Population growth
- Relatively high skilled labour availability
- Road infrastructure

# YORKE PENINSULA/MID NORTH/PORT PIRIE

“ Within the Yorke Peninsula, tourism and retirement has been the main reason for growth. As land prices have increased, the larger primary producers have got larger and bought out smaller enterprises.

» Agriculture, Forestry and Fishing, 1-4 employees ”

## Confidence

SA confidence index:

93.3 points

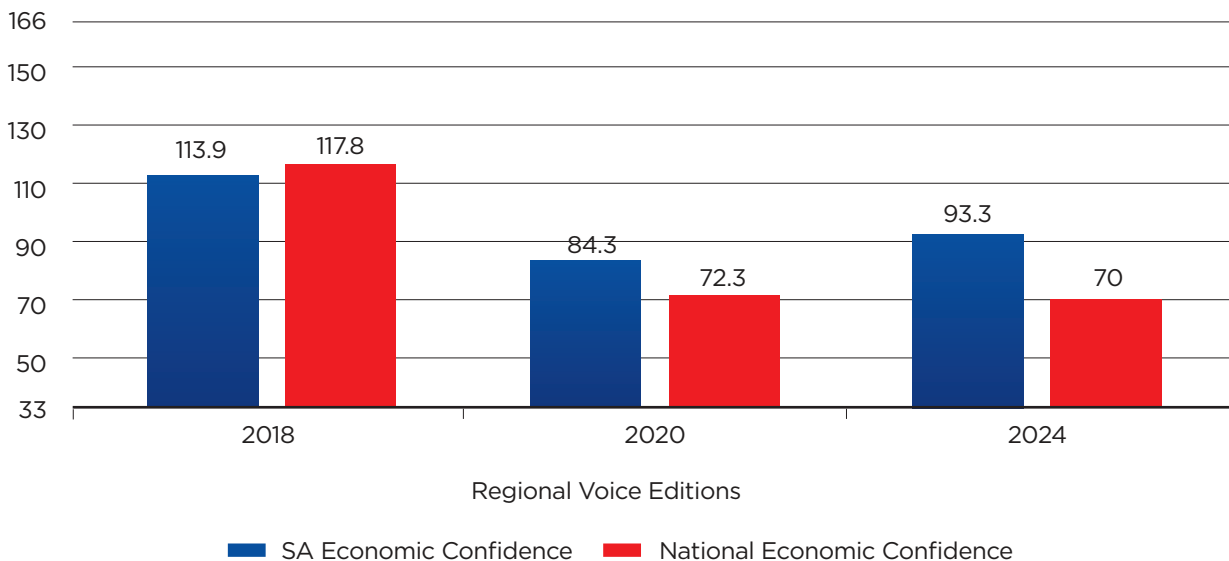
(Up 9 points from 2020)

National confidence index:

70.0 points

(Down 2.3 points from 2020)

Chart 66  
Economic Confidence  
Yorke Peninsula/Mid North/Port Pirie





*Port Pirie National Trust Museum -  
Flinders Rangers & Outback*



### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Labour costs	Lack of population growth
2.	Skills and labour availability	Skills and labour availability
3.	Company tax	Company tax

### Taxes & labour market

Company tax and payroll tax were equally the most burdensome taxes for businesses in Yorke Peninsula, Mid North, Port Pirie. However, among businesses with over 10 employees, twice as many in this region considered payroll tax to be their most oppressive tax.

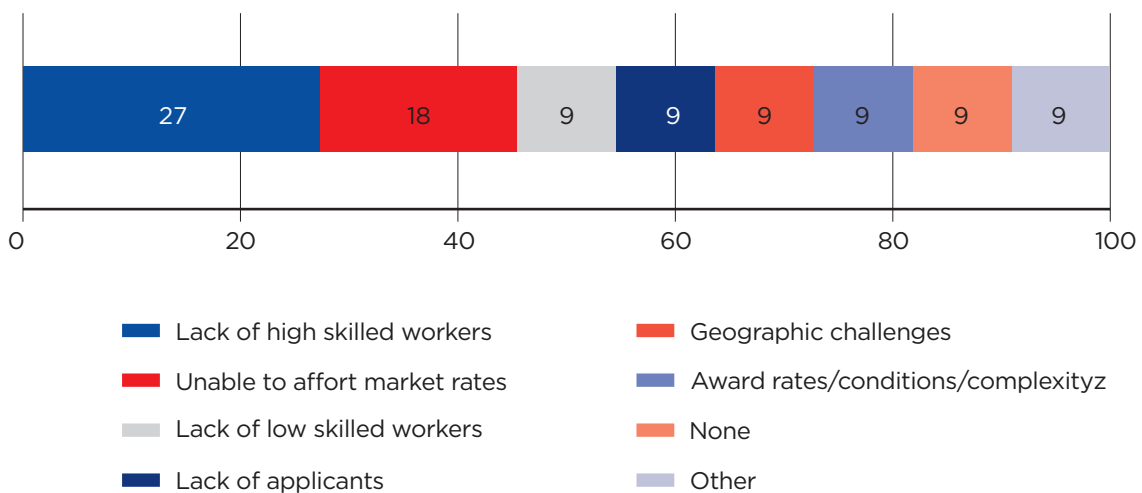
In terms of the labour market, 64% of businesses in the region were actively seeking new employees, compared to 53% across all regions. Additionally, 9% of businesses in

this region cite a *lack of relatively low-skilled workers* as their most prominent labour market difficulty, which is double the statewide figure of 4%. Interestingly, 18% of firms in Yorke Peninsula, Mid North, Port Pirie feel they *cannot afford market wage rates*, which is more than double the statewide rate of 8%.

### Infrastructure

64% of businesses in Yorke Peninsula, Mid North, Port Pirie prioritise *increased social infrastructure such as hospitals, schools, and childcare* as one of the top two priorities for their region. This is significantly higher compared to 44% in other regions. Fortunately, the mental health of business operators in the region appears more positive than broader survey results.

Chart 67  
Main Labour Market Challenge (%)  
Yorke Peninsula/Mid North/Port Pirie



## Costs

Interestingly, *supplier prices, capital goods* and *machinery* were tied for the region's most impactful cost increase in the previous 12 months, doubling the survey's overall response rate. This increase in costs is particularly significant for primary producers, paralleling ongoing cost rises in the insurance industry.

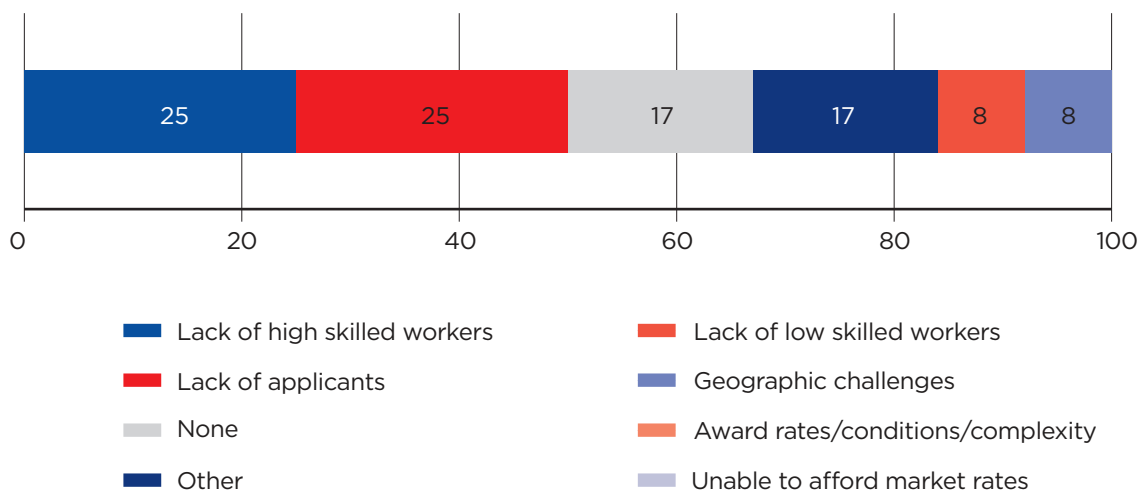
“Insurance for our inventory has increased dramatically, hence we have to reduce coverage to help with costs. Cyber insurance is another cost, what we can't afford not to have with continuing threats.”

» Agriculture, Forestry and Fishing, 10-19 employees

“It has been increasingly more difficult to get crop insurance... and premiums have exploded. Machinery and vehicle registration has also become a hugely significant cost to our business. Our input costs have dramatically risen and income remained level, with no significant primary produce commodity price increases.”

» Agriculture, Forestry and Fishing, 1-4 employees

Chart 68  
Most Significant Cost Increase (%)  
Yorke Peninsula/Mid North/Port Pirie



“ Our insurance has risen steeply in last 12 months indicative of the insurance claims for flood and fire in SA. ”

» Retail Trade, 10-19 employees

## Training

Businesses in the Yorke Peninsula, Mid North, Port Pirie region face greater challenges in training their staff compared to other regions in the state. Specifically, 56% of respondents cite the *costs of training* as a significant barrier, while 36% highlight the *lack of local training options*, necessitating trips to Adelaide for training, exceeding the average of all regions in both cases. Additionally, only 18% of businesses in this region report *no training issues*, compared to 27% statewide.

The composition of skills in the local labour market is crucial for the future prosperity of the region and the state as a whole. The region's strategic plan underscores the importance of closing the gap in vocational qualifications, which currently stand at 39.3% of the population compared to the state average of 49.3%. This focus is particularly pertinent given that the region produces more than half of the state's wind-generated power.<sup>33</sup>

## Population

A *lack of population growth* being the primary concern for businesses in the region is notable, with 38% of Yorke Peninsula, Mid North, Port Pirie businesses surveyed identifying this as the main issue facing their fellow businesses in the region.

### More of an issue for the region

- Labour shortages
- Lack of population growth
- Supplier prices/capital goods and machinery prices

### Less of an issue for the region

- Wages growth
- Energy costs
- Lack of relatively low skilled labour availability

# WHYALLA/PORT AUGUSTA/FAR NORTH

“ The impacts of the drought are long-lasting in the far north. People are still struggling financially, and the livestock markets are causing further stress. This flows through to the whole community as farmers are the lifeblood of our region. ”

» Agriculture, Forestry and Fishing, 1-4 employees

## Confidence

### SA confidence index:

96.0 points

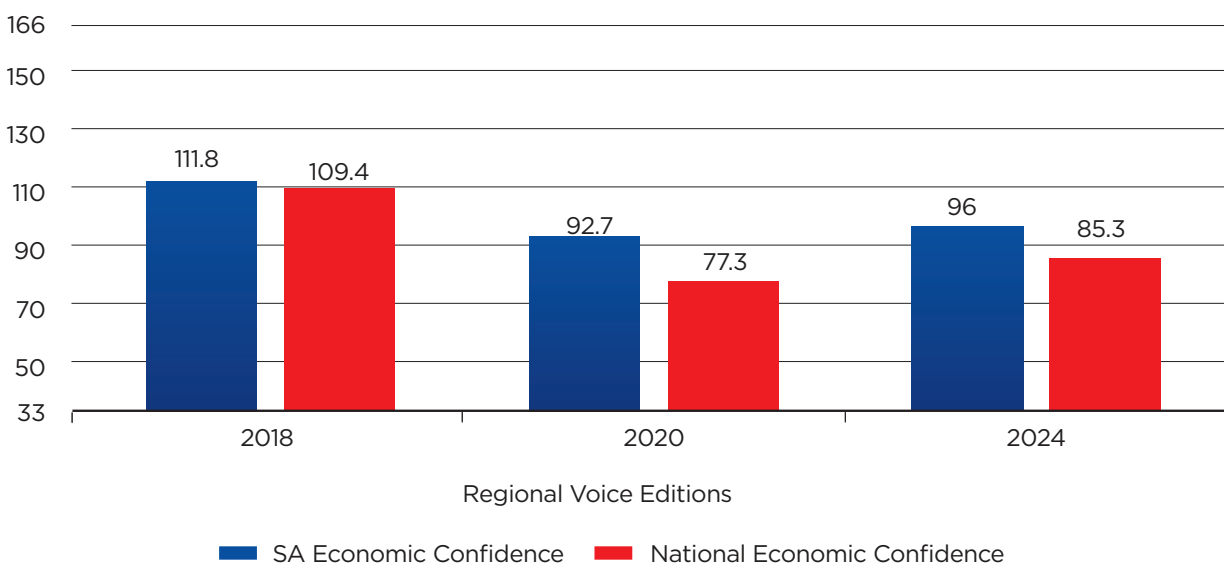
(Up 3.3 points from 2020)

### National confidence index:

85.3 points

(Up 8 points from 2020)

Chart 69  
**Economic Confidence**  
Whyalla/Port Augusta/Far North



### Top 3 issues

	FACING MY BUSINESS	FACING BUSINESS IN THE REGION
1.	Labour costs	Skills and labour availability
2.	Skills and labour availability	Company tax
3.	Company tax	Labour costs

### Biographics

The industry composition of the Whyalla, Port Augusta, Far North region diverges significantly from the survey's overall profile. Agriculture represents only 3% of survey respondents from the region, with no representation from manufacturing. Instead, the major industries were construction (15%), retail trade (13%), accommodation (10%), and professional, scientific, and technical services (10%). Moreover, a substantial 67% of businesses in Whyalla, Port Augusta, Far North employ fewer than 10 people, contrasting with 49% in the rest of regional South Australia.

### Labour market

The region's labour market faces significant challenges, with 64% of businesses reporting labour shortages, which is higher than the survey average. The primary issue is the *lack of availability of relatively high skilled workers*, cited by 36% of respondents, which is eight percentage points above the survey as a whole. *Geographical challenges* are also prominent, with 14% identifying this as a main constraint to hiring, tied for second place with *lack of applicants* and exceeding the survey average.

“ Not enough tradies want to be employed by a boss. Self-employment is a growing attraction after completing apprenticeships, or going to the mining industry. ”

» Construction, 1-4 employees

“ Generally, skilled labour is hard to find. Once found, the salary expectations are severely out of line with what our business can offer - however, it is hard when there are companies out there who are so desperate to fill a position that they are paying over and above. Finding skilled labour in regional areas is significantly harder. ”

» Mining, 200+ employees

“ Government needs to subsidise training in critical areas where there is a shortage as the increasing cost of training can be a deterrent for the future of local talent. ”

» Administrative and Support Services, Sole Trader

“ Recruiting and retaining good workers to the remote community I work in is a perennial challenge that isn't getting any easier. ”

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

Chart 70  
Main Labour Market Challenge (%)  
Whyalla/Port Augusta/Far North

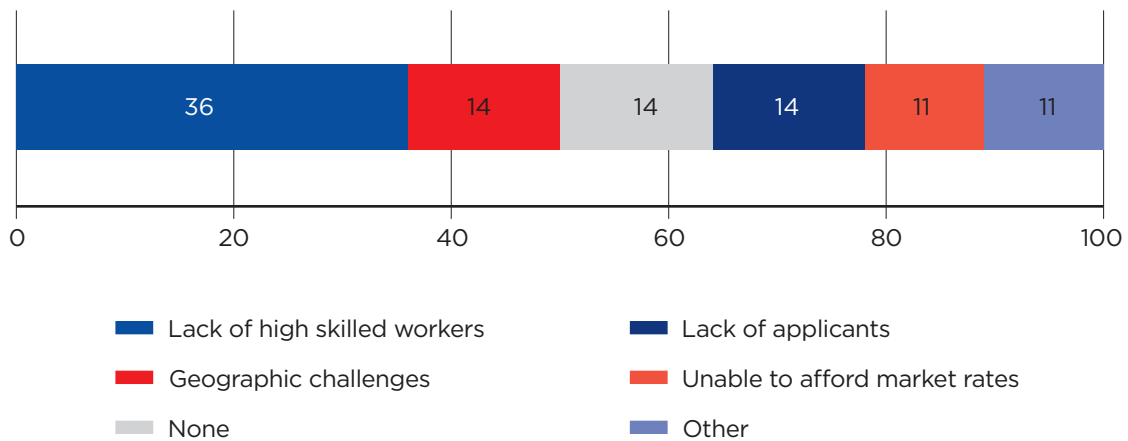
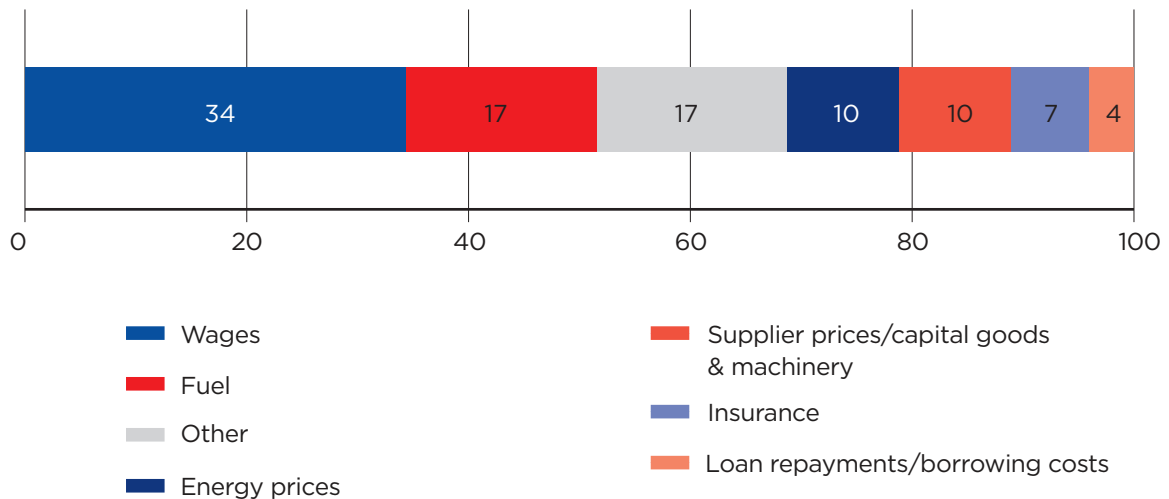


Chart 71  
**Most Significant Cost Increase (%)**  
**Whyalla/Port Augusta/Far North**



### Population & successes

Whyalla, Port Augusta, Far North showed strong support for increased efforts to promote population growth, with 78% affirming their support, 22% expressing uncertainty, and no respondents viewing it unfavourably. Interestingly, 11% identified a *lack of population growth* as the primary issue facing businesses in the region. Respondents expressed a palpable sense of optimism about the future of their region and its potential to attract prospective residents.

“ The lifestyle benefits of living in the region, as well as the more affordable housing options, should be promoted, together with further government investment to address housing shortages. ”

» **Public Administration and Safety, 50-199 employees**

“ Stronger and strategic population growth in the regions is good for communities, good for the people who move to our smaller regional communities and takes pressure off urban centres that are under strain. ”

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



“ Regional lifestyle has so many advantages that people from the city would love to enjoy. The sense of community and an abundance of outdoor activities to participate in. ”

» Rental, Hiring and Real Estate Services, 20-49 employees

“ We have beautiful towns, but all people see are the bad sides of things. Promotion needs to be of the good, the hard working and the achievements of the old and the young. Local television news services returning to the Spencer Gulf would be a good start. ”

» Personal and Other Services, 10-19 employees

## Compliance

Compliance challenges in the Whyalla, Port Augusta, Far North region differ significantly from other regions. While *tax requirements* were the most costly aspect for this and others, *fulfilling government contracts* emerged as the second most expensive compliance procedure for businesses in this region. Interestingly, two-thirds of survey respondents who cited *fulfilling government contracts* as their most costly compliance burden were from the Whyalla, Port Augusta, Far North region. Additionally, 30% of businesses in the region identified the *duplication of compliance obligations between different levels of government* as one of their top two most costly compliance procedures, compared to just 18% for the whole survey.

### More of an issue for the region

- Relatively high skilled labour availability
- Compliance obligations
- Labour shortages

### Less of an issue for the region

- Population growth
- Relatively low skilled labour availability
- Mental health

*Whyalla Steelworks - Shutterstock -  
Photographer: Alex Cimbal*



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