

Sunshine Coast

Business Confidence Survey

NOVEMBER 2017

Report released February 2018

Supported by Sunshine Coast Council
Conducted by Boardroom Business
Queensland, Australia



The 2017 Sunshine Coast Business Confidence Survey is a unique barometer of economic activity. It is a measurement of what businesses think may happen in the future. Therefore the Sunshine Coast Business Confidence report is one of the few forward projecting data sets available to the Sunshine Coast business community.

Business confidence reports are however, one of many sources of information available to businesses. Because of the uncertainty involved it is highly recommended that a variety of information sources be utilised by both the business community and policy makers for decision-making.

Boardroom Business, in partnership with the many business and government organisations on the Sunshine Coast, set about to understand confidence levels over time and created this series of Coast-wide surveys.

The objective is to assist local businesses in their decision-making by understanding local data and information. Businesses therefore do not have to solely rely on national data, or the media, for information on business confidence levels.

This survey was supported by the Sunshine Coast Council and we would like to thank them for their help with this initiative.

We would also like to thank the many Chambers of Commerce and business groups who helped distribute the survey. Their efforts are appreciated.

We wish to especially thank the many business owners and managers that spent the time participating in the survey and answering the questions.



I am always proud to highlight how our Sunshine Coast is performing and never prouder than at this point in our region's history. And I firmly believe that the pride our community feels about their home, their region, their Sunshine Coast, is as strong as mine.

It is certainly pleasing that, as you will read in this report, the 2017 Sunshine Coast Business Confidence index reflects that positivity. Our council is focussed on providing the right policies and environment to give our businesses and industries the opportunity to prosper and grow.

With clear economic planning, we have created a future we can all look forward to with confidence because there is no other region in Australia offering the opportunities anywhere near that offered on the Sunshine Coast as we head in 2018.

Because where else will you find –

- Australia's only green field CBD at this time - at Maroochydore;
- Australia's next international airport – recently voted the best in its class in the Asia-Pacific;
- Queensland's largest, grid connected solar farm – now online and surpassing its targets;
- Plans for an international broadband submarine cable – which will connect Queensland directly to the rest of the world;
- A strong, vibrant innovation ecosystem; and
- Australia's largest residential development at Caloundra South which will be the home to 50,000 people.

And that's just a few of the items on our list.

Council is a long-standing supporter of the Sunshine Coast Business Confidence Survey as an important health check on the state of business in our region.

We are proud that our Sunshine Coast enjoys some of the highest levels of business confidence of any region in Queensland and this is matched by an unemployment rate that is among the best in the State – even with a growing population.

The feedback and results from this survey will help us to respond to the ever changing needs of business and industry across the Coast and will guide our policy development, programs and services as our healthy, smart, creative region continues to develop as an exciting, diverse and dynamic place to do business.

Best wishes for the year ahead.

Mark Jamieson, Mayor,
Sunshine Coast Council



EXECUTIVE SUMMARY

BUSINESS CONFIDENCE IS SIX POINTS ABOVE THE AVERAGE

Overview

The 2017 Sunshine Coast Business Confidence index reflected a six-point increase to the year on year average (113/107 points)*1. It is down slightly from the 2016 and 2015 record high business confidence levels (117/116 points) however, levels reflect a stronger outlook when considering the previous nine years of confidence.

The majority of survey feedback reflected the view that the next six-month outlook would see higher than average profitability, new staffing and capital investment above previous year averages. Some minor sectors believed staff levels would be maintained or slightly decrease over the same period. Overall this indicates a consistent growth outlook for the immediate six months of 2018.

Regarding business stability, 82% of respondents expected the same (or an increased) level of capital investment over the next six months. 80% expected the same (or increased) profitability levels and 87% would maintain the same (or increase) staffing levels.*2

The survey focused on business profitability, capital investment and electricity costs along with alternative energy solutions and associated business impacts.

In relation to power, the results showed a consistent theme of a challenging business environment with 53% of business suggesting increased electricity prices would directly affect current profit margins.

Summary

In Summary, the 2017 Sunshine Coast Business Confidence results maintained a consistently high index score compared to that of previous years with a view of a positive business outlook. This is especially important given that the survey was conducted in the middle of the Queensland state election. Participants continued to support the survey initiative and continued to suggest innovative ideas to incorporate business growth and development.

The encouraging news is that although it is a challenging business environment, the survey reflected an overall positive picture. The majority of participants expect an increase (or the at least the same) level of capital investment and profitability over the next six months, with most maintaining the same or increased staffing levels.

The Sunshine Coast business community will now work with Council and other levels of government to process the 2017 survey feedback and will set about determining actions and resources required to address new and viable growth and solutions.

Others suggested it would affect business growth; reinvestment and business stability/confidence, while 36% of respondents suggesting power cost increases would not affect their business.

A remarkable 70% of surveyed businesses suggest they would like to consider alternative power supply solutions such as solar and an additional 15% of respondents have already moved to alternative power solutions.

This report concludes that 85% of business surveyed would like to pursue (or have already switched to) alternative power options. Barriers/constraints to achieve such transition includes high capital costs, landlords not allowing solar installations and buildings not being suitable. To put this into perspective, 25% of respondents where high end power users averaging between \$1,000 - \$50,000 in power costs per month.

Deloitte's Access Economics 2017/18 business growth outlook*3 reflected:

'Queensland business investment growth, improving employment figures, solid consumer spending and strength in the tourism sector reinforce confidence in Queensland's growing prosperity'... 'A return to business investment growth is the celebration we have been waiting to have with investment up 3.4%, it looks like we've turned the corner...'

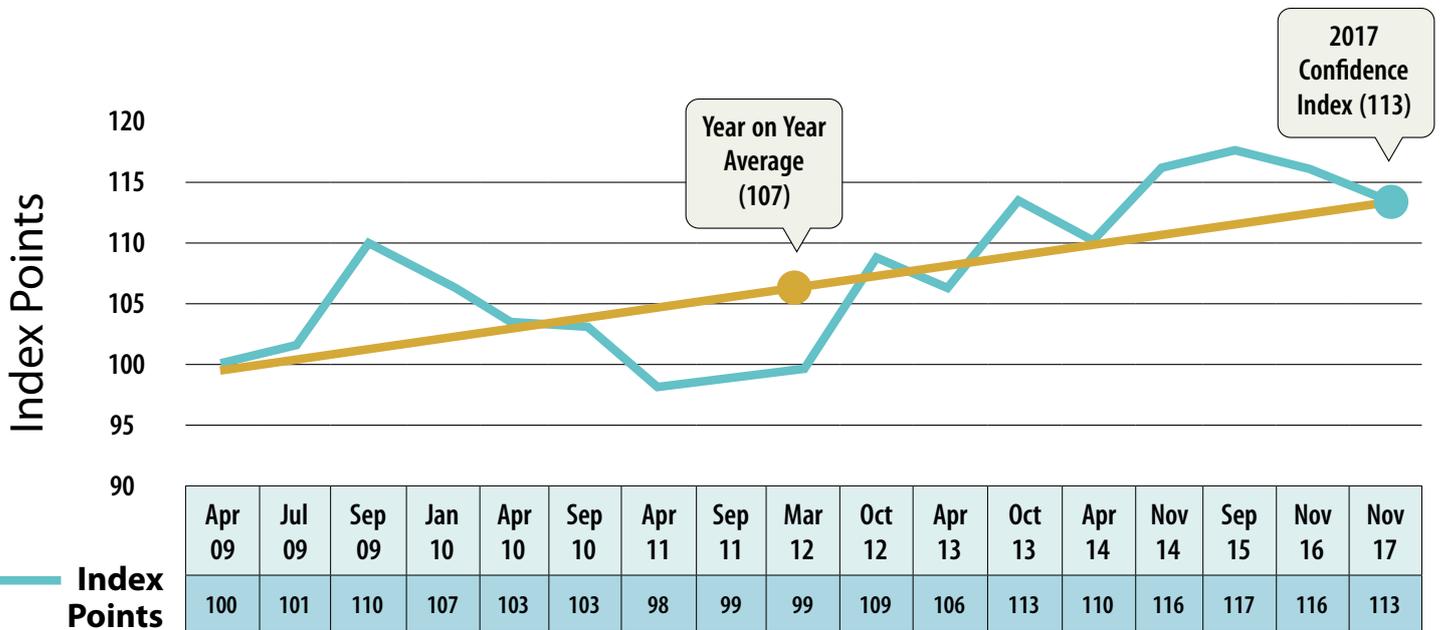
*1 2017 Boardroom Business Confidence Index (BBCI) results over nine years

*2 2017 Boardroom Business Confidence Raw Data Results (RDR)

*3 Deloitte release: Positive Prospects, Queensland Business Outlook September 2017;

BOARDROOM BUSINESS CONFIDENCE INDEX

The November 2017 survey is the eighteenth survey in the Sunshine Coast Business Confidence Survey series. Using the data collected since 2009, we have created the Boardroom Business Confidence Index to demonstrate confidence trends over time.



Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)



“ The index reflects a six-point increase on the year on year average (113/107 points) this indicates consistent confidence levels for 2018.

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

GENERAL BUSINESS CONFIDENCE - PERFORMANCE

How has your business / organisation performed?

	Much Weaker	Somewhat Weaker	About the Same	Somewhat Stronger	Much Stronger
PAST How has your business performed over the LAST 6 months relative to the previous 6 months?	7%	19%	33%	27%	14%
FUTURE How do you believe your business will perform in the NEXT 6 months compared with the last 6 months?	3%	15%	33%	33%	16%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

CONFIDENCE INDICATORS

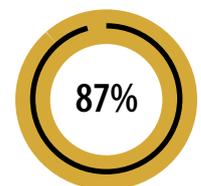
In your business / organisation do you expect an increase, decrease or no change over the next 6 months in the following areas?

Confidence Indicators	Decrease	No Change	Increase
Profitability	20%	30%	50%
Staffing Levels	13%	55%	32%
Capital Investment	18%	51%	31%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)



expect the same (or increased) profitability levels



will maintain the same (or increased) staffing levels.



of survey respondents expect the same (or an increased) level of capital investment over the next six months.

“Unemployment on the Sunshine Coast has declined substantially over the past few years, and is now bumping at around the lowest levels in a decade. The results of the Sunshine Coast Business Confidence Survey suggest this has further to run. 32% of respondents expect to increase their staff levels over the next six months, compared to just 13% expecting a decline.”

Daniel Gradwell, Senior Economist at ANZ

Please turn to page 12 for full Economic Commentary.

IMPROVEMENTS TO YOUR BUSINESS

What would make a difference to the profitability or viability of your business?

There were many detailed responses to this question and we thank you for your honest and frank comments.

The responses are anonymous and have been passed onto both Council and the many business and industry groups on the Coast so that they can discuss and address the many issues raised in this question.

Below are some selected themes and comments left for this question by survey respondents:



Infrastructure

- *6 lane Bruce highway. More important than twin train tracks.*
- *Faster internet / Better phone & mobile service.*
- *Access to ALL pathways and public buildings and businesses wheelchair friendly.*
- *More customers through the widening of Brisbane Road and more free parking.*
- *Better and cheaper transport cost.*



Marketing

- *Being able to increase pricing.*
- *Bringing in new clients interested in investing to achieve excellent returns.*
- *More revenue from greater market reach in Australia.*
- *Educating businesses on the importance of marketing activity (especially digital) to grow their business and remain viable.*
- *Increased turnover brought about by greater tourist and local traffic. Locals supporting local businesses.*
- *Increasing client numbers and quality of businesses on the Sunshine Coast.*
- *More larger clients, lower shipping costs, lower prices for consumables - ie. Printing, labels, shipping cartons, and no credit card charges.*



Government / Council

- *Easier licence application process - clearer steps from council and governing bodies on how to apply for licences around food and beverage business.*
- *Stamp duty relief.*
- *Planning bodies to take a cooperative approach rather than adversarial positions.*
- *Abolition of payroll tax and lower electricity prices.*
- *Less legislation and a review of recently introduced legislation.*
- *Streamlining Council Approval processes both in Development approvals and issue of Certificate of Classification.*





Government / Council (Continued)

- Stronger government incentives for digital transformation in small business.
- Knowing what is happening with Nambour Hospital and Council chambers.
- Government supporting innovative businesses with tax benefits.
- Reducing stamp duty and giving first home owners grants on existing homes.
- Better faster cheaper access to legal and collection services.
- Ideally more businesses that bring people to the area. Less residential development and more tourism development. Bringing people to the region who are here to spend money.
- Political 'Leadership' on both sides of politics.
- Clarification and tightening of regulations particularly in relationship to "ride share" and parking restrictions in public access areas.
- Proper planning for growth, increased land supply (and hence investment) and Council officers matching the Mayors attitude of - if it is a good project, work together to make it happen, not as at present. All we want is a fair, reasoned and timely assessment on a whole of Council basis, not being held up by irresponsible single-issue bureaucrats.
- Reduction in red tape and compliance in funding.
- Streamlining Council Approval processes both in Development approvals and issue of Certificate of Classification.
- Stronger government incentives for digital transformation in small business.
- Knowing what is happening with Nambour Hospital and Council chambers.

- Government supporting innovative businesses with tax benefits.
- Reducing stamp duty and giving first home owners grants on existing homes.
- Better faster cheaper access to legal and collection services.
- Ideally more businesses that bring people to the area. Less residential development and more tourism development. Bringing people to the region who are here to spend money.



Macro

- Availability of quality employees.
- Increase productivity.
- The consumer having more disposable income.
- Less importing of inferior products from overseas.
- Definitely more confidence of the customers to be able to spend more time shopping in the area and enjoy our beautiful suburb without worrying about their vehicle.





Increased Costs of Doing Business

- *The cost of rising utility services are having an impact, water, electricity, rates as well as cleaning and other service charges.*
- *Overheads decrease and availability of more skilled workers.*
- *Parking availability has had a huge impact and electricity is over \$5000 a quarter.*
- *More affordable electricity costs and a fair price for rent on the premises as we pay far above average and have not recovered from the roadworks last year with more pending next year.*
- *No penalty rates at weekends.*
- *Cheaper electricity and decent NBN.*
- *Lower overheads, lower penalty rates and more local customers.*



Training / Staff

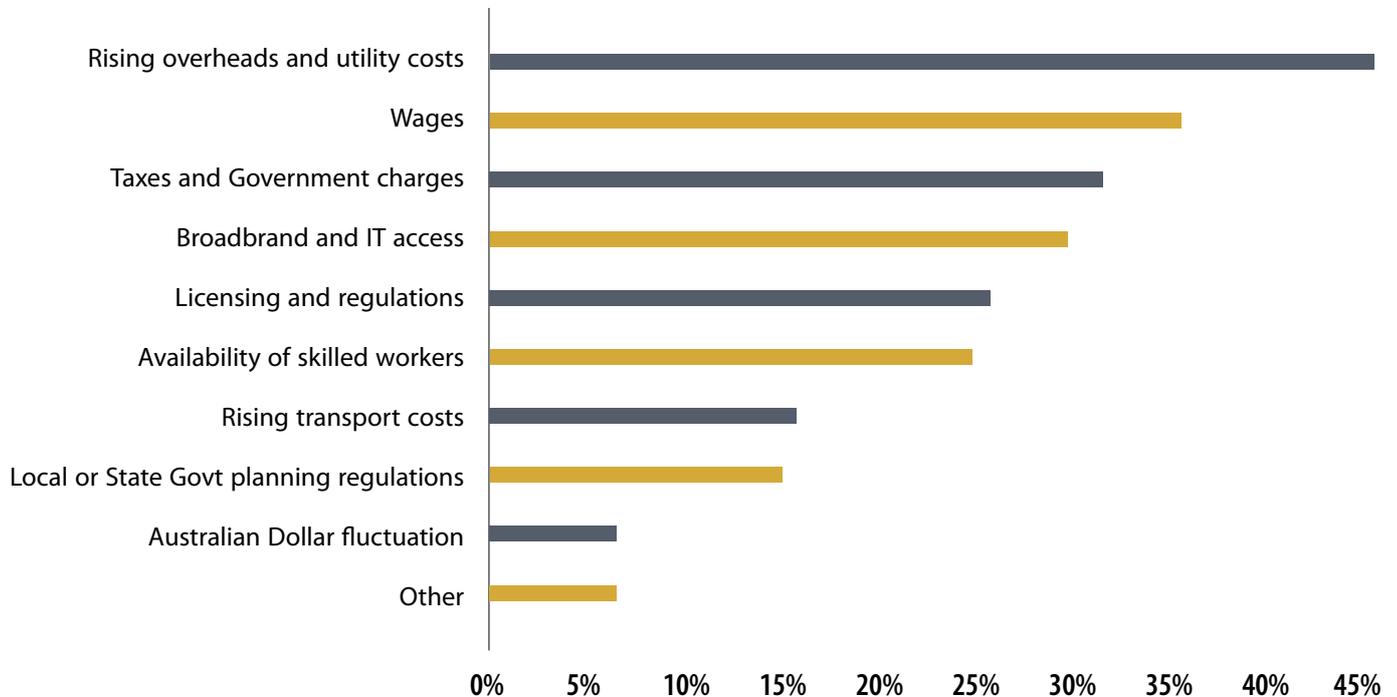
- *Qualified staff at reasonable rates.*
- *Businesses hiring more staff.*
- *More reliable and trained workers.*
- *Availability of employment candidates who are genuinely interested in working in a stable, interesting and growing sector.*
- *New staff with a very specific skill set.*
- *Increased training in industrial and manufacturing skills locally on the Coast.*
- *Access to a labour force that actually want to work. I have several employees on 457 visa's and they have made a hugely positive impact on my ability to expand. They are willing to work and reliable and do not abuse their so called 'entitlements'. I do employ twice as many 'locals' compared to 'visa' workers and the ones I have are mostly awesome as well but they are very difficult to find.*



IN YOUR OPINION, WHAT ARE THE MAJOR CONSTRAINTS ON THE GROWTH OF YOUR BUSINESS?

Respondents could choose multiple answers to this question

CONSTRAINTS



Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)



'Other' responses included:

Competition

- *Very high competition for the consumer dollar.*
- *Internet sales competition.*
- *Oversupply of competitors and resultant pricing pressures.*
- *Competition from other education providers.*
- *Impact of competitor pricing.*
- *Other entrants supported by Local and State Government.*
- *Competition and ability to market to businesses.*
- *Access to investors.*

Government

- *Parking problems, not enough and council bookings of customers and staff.*
- *Federal Government red tape and new legislation requirement that hampers business production.*
- *Stability of Governments, the spending is just not happening, we need solid governments that are committed to growing the economy.*
- *Confidence in all levels of government.*
- *Government instability/uncertainty on clean energy and clean energy target proposed changes.*
- *Political Instability, Bureaucratic processes slowing down fairly straightforward decisions in moving forward.*

Macro

- *Economic conditions locally.*
- *Lack of customer (small business) confidence in their own growth.*
- *Credit squeeze and lack of housing affordability (poor planning, overregulation and excessive charges).*
- *Overall state of economy and resultant pressure on retail.*
- *Reduced consumer confidence.*
- *High housing costs.*
- *Bank lending constraints.*

Marketing

- *Market considerations/customer requirements.*
- *Establishing relationships with potential new customers.*
- *International Marketing / Branding.*
- *An aversion to support local businesses, there appears to be a belief that if you engage with city based companies, you are tapping more expertise.*
- *No attraction for overseas business.*

Overheads

- *Costs to travel to different regional areas in Qld to offer services.*
- *Lack of capital to reinvest.*
- *Overheads: Office rental price to high.*
- *Vendor pricing increases beyond inflation.*
- *Childcare costs to high.*

Staff

- *Attracting employees to move to where the volume of work is.*
- *A lack of motivation from trades and lack of quality knowledge from young trades.*

Misc

- *Shortage of Australian graduate general practitioners.*
- *90% of the Sunshine Coast is NOT wheelchair friendly.*
- *Very slow time taken by QLD Health to bring Nambour Hospital back on line.*
- *Education levels of target market.*



BUSINESS CONSTRAINTS

Top 5 Major Business Constraints trending over time

In your opinion, what are the major constraints on the growth of your business?

Below are the top 5 Constraints listed in the past five surveys.

	October 12	April 13	October 13	May 14	Oct 15	Nov 16	Nov 17
1	Price pressure from customers	Rising overheads and utility costs	Broadband and IT Access	Rising overheads and utility costs			
2	Rising overheads and utility costs	Price pressure from customers	Price pressure from competitors	Price pressure from customers	Price pressure from competitors	Rising overheads and utility costs	Wages
3	Price pressure from competitors	Price pressure from competitors	Price pressure from customers	Taxes and Government charges	Price pressure from customers	Wages	Taxes and Government charges
4	Global / national economic	Taxes and Government charges	Taxes and Government charges	Wages	Taxes and Government charges	Taxes and Government charges	Broadband and IT Access
5	Taxes and Government charges	Wages	Global / national economic	Price pressure from competitors	Wages	Availability of skilled workers	Licensing and Regulations

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

Areas of Influence and Responsibilities



Business/Commercial



Federal/State Govt



Broader Economic



Confidence results maintained consistently high levels to that of previous years with a view of a positive business outlook. Business continued to support growth and development in the region.

ECONOMIC COMMENTARY

Prepared by Daniel Gradwell, ANZ Senior Economist

Australia enjoyed solid economic growth and an improving labour market in 2017. The transition away from the mining sector has continued to pick up pace, and we are now seeing growth in other parts of the economy, including housing and commercial property investment, publicly-funded infrastructure, and strong foreign demand for our tourism and education services.

The strength of the labour market over the past 12 months has been a real bright spot. Over the year to November 2017 Australia created nearly 400,000 jobs. This reflects employment growth of 3.2%, which is the fastest rate since prior to the Global Finance Crisis (GFC). In addition, the unemployment rate is now at a four-year low. Contributing to optimism around the economy is the fact that the outlook for the labour market remains positive. Leading indicators such as ANZ Job Advertisements suggest that employment should keep expanding at a rate fast enough to see the unemployment rate continue to fall.

Encouragingly, South East Queensland is no exception. Unemployment in the Sunshine Coast

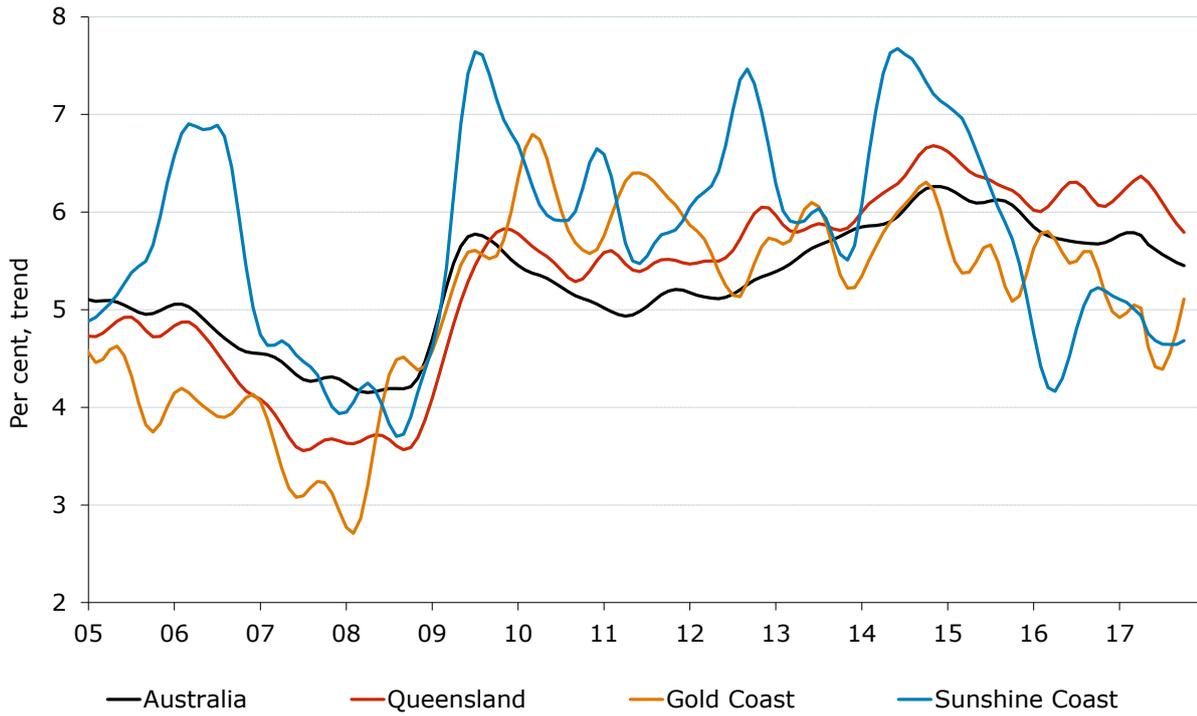
has declined substantially over the past few years, and is now bumping at around the lowest levels in a decade. The results of the Sunshine Coast Business Confidence Survey suggest this has further to run. 32% of respondents expect to increase their staff levels over the next six months, compared to just 12.5% expecting a decline.

Many of the drivers supporting the broader Australian economy are also playing out in South East Queensland. The housing industry is booming on the Sunshine Coast, with building approvals now four times higher than the 2012 trough. Solid population growth is underpinning demand, while low interest rates continue to support both housing construction and prices.

We do think this sector is likely to slow somewhat through 2018, however. The combination of tighter regulation and higher interest rates for investors, coupled with potential rate hikes from the RBA, is likely to take some heat out of the housing market, as we are already seeing in some other parts of the country.

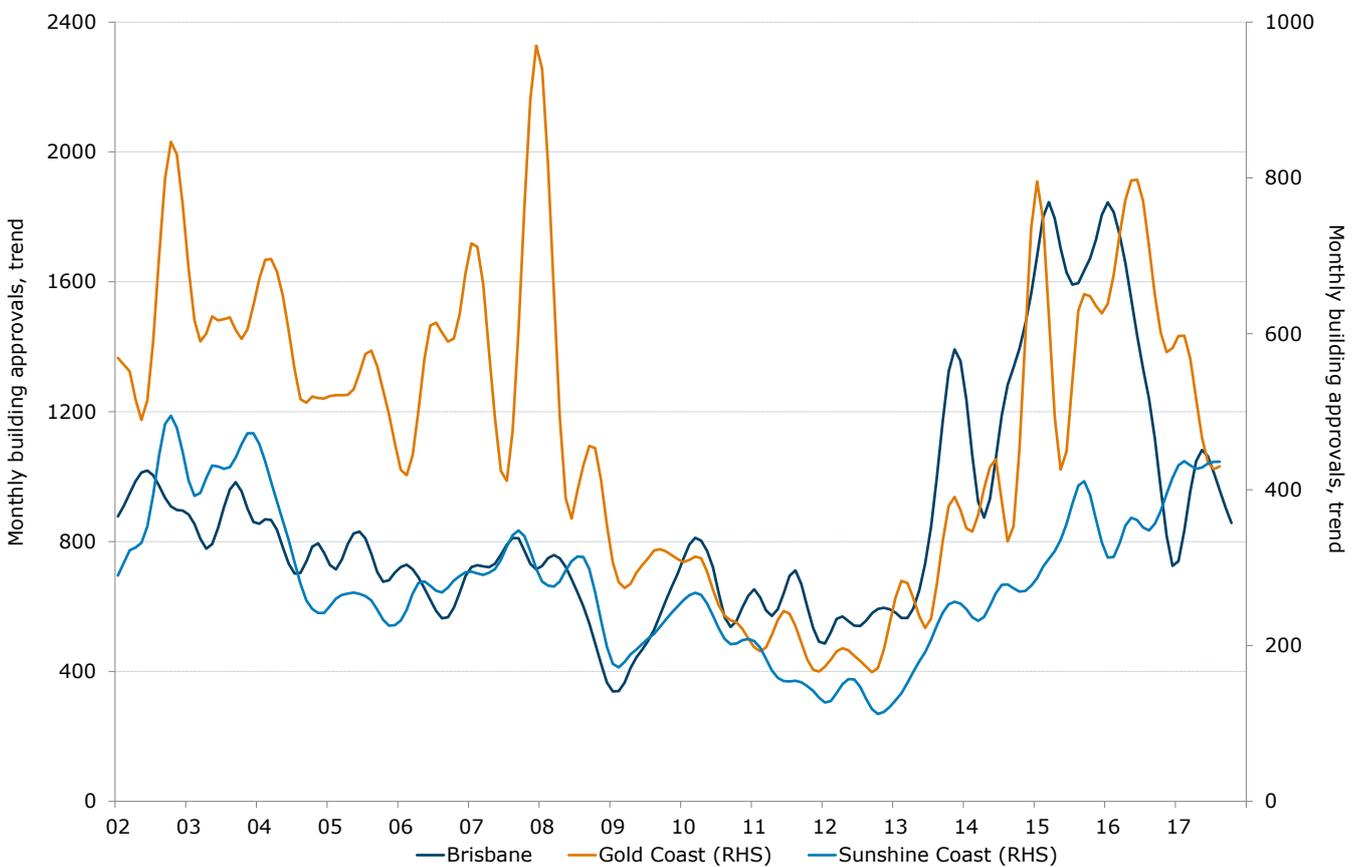


Figure 1. Unemployment rates are low in South East Queensland



Source: ABS, ANZ Research

Figure 2. Housing construction in the Sunshine Coast is booming



Source: ABS, ANZ Research

Research

It's not just housing that is supporting the construction sector at the moment. Commercial property is also seeing plenty of activity on the Sunshine Coast. Even with the completion of the AUD1.8bn Sunshine Coast University Hospital, plenty of work is occurring in the retail space such as the Sunshine Plaza upgrade, and the offices and aged care sectors.

Beyond the construction industry, tourism remains an important driver of activity on the Coast. The structural decline in the AUD from its 2011-2013 peak has made Australia much more affordable for overseas visitors. Indeed, only 7% of Sunshine Coast Business Confidence Survey respondents report that the AUD is a constraint on their business. Coupled with the rapid increase in wealth in China, tourist inflows to Australia continue to reach new record levels. Importantly, this effect is spread around much of the country, with all states and territories experiencing growth in international tourist spending over the year to June 2017. We expect the AUD will gradually fall further over the next few years as interest rates rise faster in the US than domestically, and the global economy shifts sentiment away from cyclical currencies like the AUD, which should provide further support to the tourism industry.

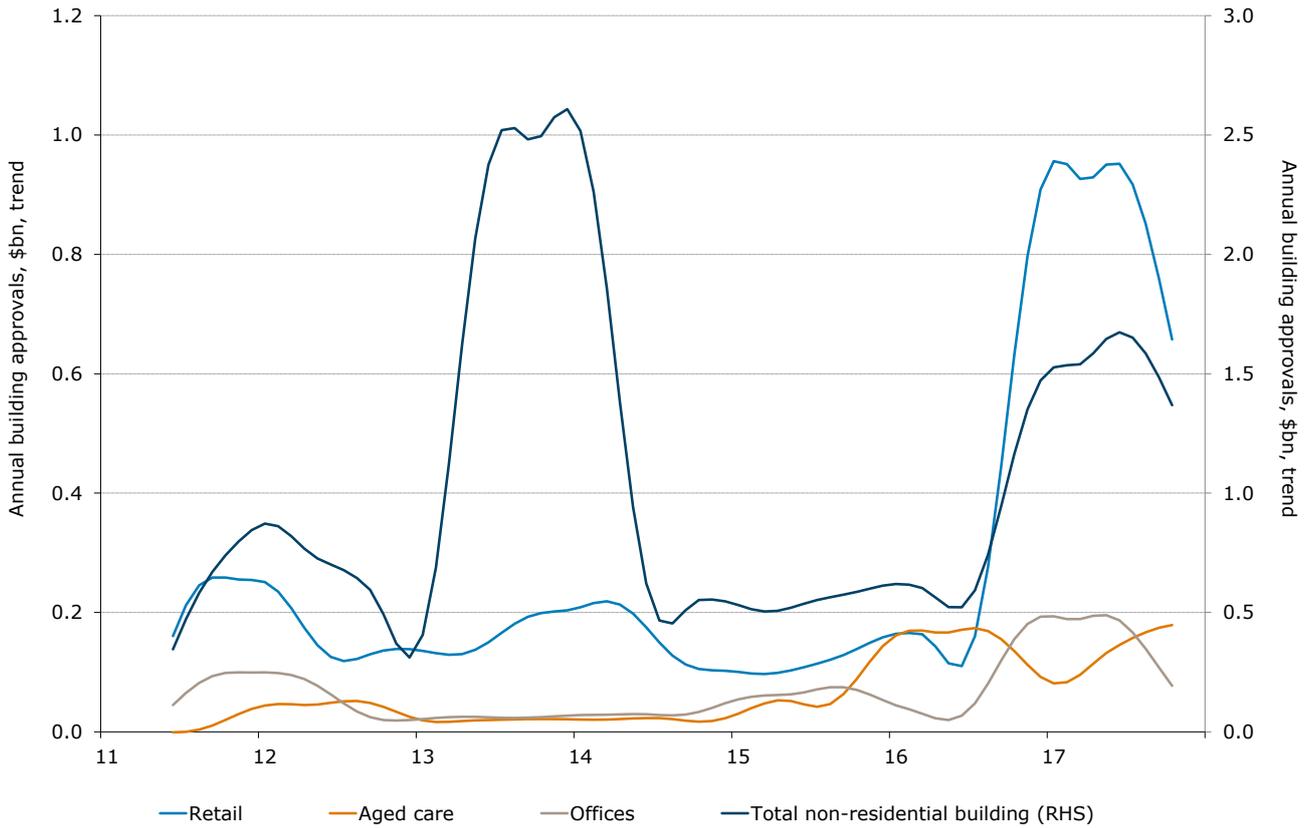
Overall, there are plenty of reasons to be optimistic about the Sunshine Coast economy, over at least the near term. But that is not to say there are no challenges. Nearly 50% of survey respondents report that rising overheads and utility costs are a constraint on their business, and this is a theme we are seeing across Australia. It's not just businesses that are affected by rising gas and electricity prices either – households are also feeling the pinch on their disposable income. It does look like some relief is in store, however. The Australian Energy Market Commission forecast that average consumer prices will fall around 14% by 2020, reflecting a saving of about \$230 per household.

Despite some relief from energy prices, many other non-discretionary costs are still rising quickly, including childcare, education and health. This means that the soft disposable income story is likely to remain a headwind to economic growth for some time, and will temper some of the enthusiasm around an otherwise positive outlook.

Daniel Gradwell
Senior Economist, ANZ

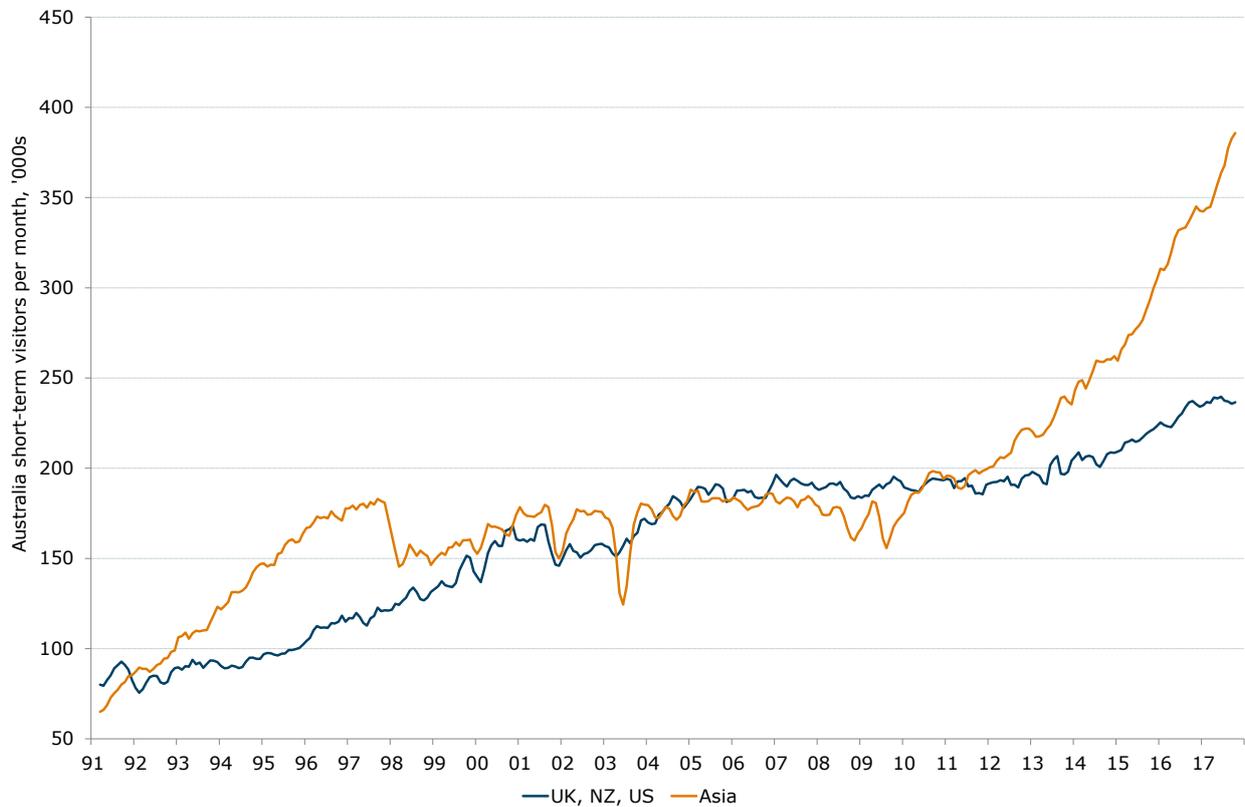


Figure 3. Commercial building looks promising in the Sunshine Coast



Source: ABS, ANZ Research

Figure 4. Tourist arrivals are still rising strongly nationwide, led by China



Source: ABS, ANZ Research

INDUSTRY SECTORS

Which industry do you belong to?

Using the Australian and New Zealand Standard Industry Classification codes (ANZSIC) for purposes of national comparisons.

Response	%
Property and Business Services	22%
Retail Trade	14%
Accommodation, Cafes and Restaurants	13%
Communication and IT Services	9%
Manufacturing	8%
Financial and Insurance	7%
Construction	6%
Cultural and Recreational Services	4%
Health and Community Services	4%
Transport and Storage	3%
Education	3%
Agriculture, Forestry and Fishing	2%
Personal and Other Services	2%
Medical	1%
Electricity, Gas and Water Supply	1%
Wholesale Trade	1%
Government Administration and Defence	1%
TOTAL	100%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

For more detailed economic information about the local Sunshine Coast economy please visit:

<https://data.sunshinecoast.qld.gov.au/>

REGIONAL RESPONSES ACROSS THE COAST

In which region do you primarily operate your business from?

Location	%
Maroochydore	18%
Multiple Sunshine Coast Locations	12%
Caloundra	11%
Other areas in Queensland / National / International	8%
Buderim	5%
Kawana Waters	4%
Mooloolaba	4%
Noosaville	4%
Coolum	3%
Cotton Tree	3%
Marcoola Beach	3%
Noosa Heads	3%
Yandina	3%
Cooroy	2%
Kunda Park	2%
Nambour	2%
Palmwoods	2%
Doonan, Maleny, Mapleton, Montville, Peregian Beach, Tewantin, Woombye, Alexandra Headland, Beerwah, Gympie Region, Kenilworth, Landsborough, Mudjimba, Sippy Downs and Sunshine/Sunrise Beach	1% or less

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

FOCUS QUESTIONS

ELECTRICITY PRICES

For each survey we have been focusing on a specific topic that is important to the local business community. For this survey we focused on the Rising Electricity Prices.

Accepting that electricity prices are a part of business related costs, what is the impact of increased electricity prices on the way you conduct your business? Choose as many from the list that are applicable.

Answer Options	%
It is affecting my profit margins.	53%
It is not affecting my business.	36%
It is affecting my ability to invest back into my business and business growth.	31%
It is affecting my business confidence.	22%
It is affecting my ability to meet my financial obligations.	20%
It is affecting repairs, maintenance and upgrade decisions.	20%
It is affecting my competitiveness.	16%
It is affecting my staffing decisions.	12%
Other (please specify)	8%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

Other option included:

- We have solar. I'm waiting for battery storage to become more affordable .
- Simply another increasing cost, next week it's fuel, next month it's insurance, etc.
- We have solar, best investment.
- It affects the overall business, as you cannot pass on all the rising costs through to the customer, as they can then purchase your items cheaper elsewhere.
- It's affecting the amount I need to pay myself to cover my personal home bill at the moment, soon will affect business profitability.
- It affects everyone and therefore those costs are passed down the end cost of each development.
- I'm receiving more enquiries about solar than ever! Good for my business.
- It is also having a positive affect as I am investing in renewable infrastructure.
- We have solar at our venue and that helps tremendously.
- Being a business that has a sole focus on energy solutions to reduce business costs it doesn't have a negative impact on our business.
- The increase in power costs is increasing the investment in solar and efficiency measures. Having said that we have installed solar at our premises to reduce our overheads and hedge our power price.

Would you consider alternative energy supply solutions (e.g. solar) to traditional power from the grid?

Answer Options	%
Yes	70%
No	15%
We have already converted to alternative energy solutions.	15%
TOTAL	100%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

If you are not using an alternative energy supply solution, what barriers or constraints have stopped you adopting these? Choose as many from the list that are applicable.

Answer Options	%
Cost of capital investment.	42%
I don't own my premises.	42%
My landlord won't allow me to install solar.	18%
My power usage is so high it is not an option.	11%
I don't know where to start.	7%
Other (please specify)	18%

Source: Boardroom Business (2017) Sunshine Coast Business Confidence Survey (Nov 2017)

Other option included:

- We are looking at diesel generator as solar is not an option due to building design.
- Difficult to identify location for sufficient solar.
- Our building is too old.
- Waiting for cost of battery storage to reduce so I can go off grid.
- Body corporate restrictions .
- ROI isn't there. FiT for solar isn't enough.
- It is not sustainable for business (wind, solar, etc) without expensive back-up resources for 24/7 supply.

- The remaining from-grid-purchase can be alleviated by storage, however still too expensive.
- Have attempted to do so however the roof of our building being concrete flat construction is not suitable for alternatives.
- A multi story building will block the sun behind our premise.
- Physical constraints to immediate infrastructure.
- No possibility of alternative solutions as commercial buildings with Body Corporates controlling.
- We would ideally like more solar at our venue but have run out of roof area.
- I prefer reliable 24/7 energy.
- Strata unit, no available roof space.

How much on average do you spend each month on energy supply to your business and how large in square metres are your business premises?

The results from this question confirm responses to previous questions in this survey that electricity costs are indeed restricting business growth and profitability.

Whether a business was retail or office based (air conditioning) or a manufacturer (equipment power needs), electricity supply is a crucial component of any organisation. The cost of power supply is increasing above a rate that allows businesses to pass on these increased costs to their customers without significant resistance and running the risk of losing customers to other suppliers who may be able to hold out longer at lower prices.

Although the rates of return on solar are attractive, the cost of capital investment in alternative power supply is out of reach of many small to medium size businesses. Financial institutions are beginning to offer lending options to fund renewables, such as solar, but these investments require long term commitment that is beyond the reach and reality of many small business owners.

The fact is that energy prices have been escalating significantly in recent times. Businesses and government at all levels need to understand the impact on businesses and to the economy and respond and work together to find a solution.

SURVEY METHODOLOGY

The survey was designed and executed to capture business responses within the Sunshine Coast region, incorporating the Sunshine Coast Council and Noosa Council boundaries.

Opening on 5 November and closing on 2 December 2017, the survey was distributed via email addresses to established business networks.

Conducted online, the survey allowed for anonymous participation and consisted of 10 questions.

Additional questions were added to the survey series to focus on important industry sectors, regions or topics across the Coast. For this survey we chose to focus on **Electricity Prices**.

192 businesses responded to the November 2017 survey.

This Sunshine Coast Business Confidence survey series has been running since 2009 and this is the eighteenth survey conducted. To view any of the previous reports, please see our dedicated website:

www.boardroombusiness.com.au/sunshinecoast

ACKNOWLEDGEMENTS

We wish to thank the many Chambers of Commerce, business and industry groups who encouraged their members to complete this survey. Their contribution is always appreciated.

We also wish to thank the following supporters who assist us with the survey:



Sunshine Coast Council ANZ BANK

Regional Development Australia, Sunshine Coast

Sunshine Coast Chambers of Commerce Alliance

Sunshine Coast Destinations Ltd

Caloundra Chamber of Commerce

Coolum Business and Tourism

Cooroy Chamber of Commerce

Eumundi Chamber of Commerce

Housing Industry Association Ltd

Kawana Waters Chamber of Commerce

Maleny Commerce

Maroochydore Chamber of Commerce

Mooloolaba Business & Tourism

Nambour Alliance

Noosa Chamber of Commerce

The Original Eumundi Markets

Peregian Beach Business Association

Sunshine Coast Business Women's Network

Sunshine Coast Daily

Sunshine Coast Innovation Centre

Sunshine Coast Institute of TAFE

Tourism Noosa

Urban Development Institute of Australia

Yandina Chamber of Commerce

If you are involved in a business organisation on the Sunshine Coast, and interested in supporting the survey, we would like to hear from you.

CONTACT US:

info@boardroombusiness.com.au

www.boardroombusiness.com.au

WANT TO FIND OUT MORE?

If you would like to get involved in our confidence survey you can subscribe online to receive the alerts and be amongst the first to download the results.

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SUNSHINE COAST BUSINESS CONFIDENCE SURVEY

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