

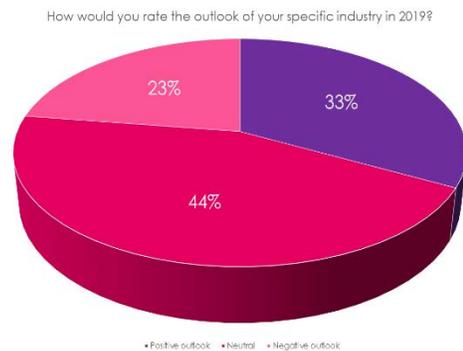
# CAIRNS BUSINESS SURVEY REPORT

In April, the Cairns Chamber of Commerce in partnership with CCIQ and with support from Cairns Regional Council, conducted the “Cairns Business Survey”. There were over 600 responses to the survey, representing a broad range of industries, business types and locations. This was an excellent response, providing a good basis to gain insight into operating and general business conditions. Thank you to all respondents who took the time to participate in this survey.

## RESULTS

### Outlook for 2019

Almost 40% of respondents expect both the state and national economies to weaken over the next 12 months, while the outlook for the local Cairns economy is modestly less pessimistic. Furthermore, one-third of businesses reported a positive outlook for their specific industry in 2019 and almost 6 in 10 indicated that they were confident in reaching their business goals for this year.



### Business constraints

The top ten major constraints on business growth, as identified by respondents, are listed in the below table. These range from “large” (numbers 1-7) to “moderate” (numbers 8-10). As the survey took place prior to the federal election, this was an influencing factor in responses.

Rank	Constraint
1	Political and economic stability
2	Level of demand/economic activity
3	Insurance premium costs
4	Level of business taxes and government charges (Federal)
5	Energy costs and standard of infrastructure
6	Compliance and complexity of business taxes and government charges
7	Level of business taxes and government charges (State)
8	Climatic conditions (drought, flooding, storm etc)
9	Direct wage costs
10	Retaining and recruiting suitably qualified employees

Power prices, infrastructure and concerns around the federal level were key motifs among anecdotal responses. Respondents also raised concerns regarding the level of diversification in the local economy

and its reliance on the tourism industry. While views around environmental issues and industrial development are diverse amongst the Cairns business community, businesses voiced concern about adverse effects on tourism numbers and the local economy stemming from the sensationalism of regional weather events by the media. Many also believe that state regulation is overreaching and that the Far North is not receiving an appropriate level of public infrastructure investment or attention regarding regional-specific issues.

### **Technology enabling growth**

Businesses rated highly the importance of technology and digital connectivity as a tool for their businesses. Around 80% of businesses have a website and 40% of businesses indicated that they generated sales using an online platform. One-third of respondents believe that the trend toward online business had affected their businesses positively, with 57% of businesses feeling the impact has been neutral and 9% being impacted negatively.

### **Embracing sustainably**

A number of questions were asked regarding sustainable business practices. Two-thirds of businesses reported having recycling and waste reduction measures currently in place, 57% were using energy efficient appliances, and about 4 in 10 indicated that they currently had sustainable procurement and staff engagement practices in their business plans. Almost three-quarters of respondents indicated that they were interested about transitioning away from single-use plastics. Only 39% of respondents confirmed they were aware of the Queensland Government's waste levy.

### **Skills & Training**

6 in 10 respondents believed that workshops and seminars were beneficial to their businesses, with the most popular event topics including digital marketing and social media, marketing, innovation in business, strategic planning and legislation as well as finance and taxation.

## **NEXT STEPS**

The Cairns Chamber of Commerce will use this data to support advocacy efforts in relation to major identified constraints, with support from Cairns Regional Council and other stakeholders. Awareness raising and training activities will be centred around topics of interest as identified by businesses. The results will also help to inform decisions by the Cairns Chamber of Commerce and Cairns Regional Council on continuation of existing business activities and investigation into new initiatives. It is intended that the Cairns Business Survey will be conducted on an annual basis to provide ongoing insight into business conditions and to track trends over time.