



TOOWOOMBA
**CHAMBER OF
COMMERCE**

23 August 2023

Have Your Say
Toowoomba Regional Council
PO Box 3021
TOOWOOMBA QLD 4350

BY EMAIL ONLY: yoursay@tr.qld.gov.au

To Whom It May Concern

SUBMISSION ON DRAFT TOOWOOMBA REGIONAL COUNCIL CORPORATE PLAN 2024 - 2029

Thank you for providing the opportunity to make a submission on the Toowoomba Regional Council Draft Corporate Plan 2024- 2029.

We have reviewed the draft Corporate Plan and have prioritised three areas for amendment. These relate to community engagement, direct small business initiatives and housing. The matter, comment and amendment recommendation are outlined in Table 1 | Corporate Plan below.

Table 1 | Corporate Plan

Matter	Comment	Amendment Recommended
Consultation	<p>The international association for public participation research as the peak body and best practice leader for the community and stakeholder engagement sector, believes that engagement, when done well, improves environmental, social and governance outcomes and increases trust in the democratic process. They advocate for all communities to be authentically engaged in decisions that affect them, in alignment with the IAP2 Quality Assurance Standard for Community and Stakeholder Engagement.</p> <p>It is our view that best practice involves engagement with councillors, council advisory committees, community groups, interest groups, the community, state, and federal representatives in the preparation</p>	<p>Add to Goal 1 People, the following key priority as follows:</p> <p>Implement consultation best practice by requiring all stakeholders be given the opportunity to contribute to the preparation of Council documents and major projects prior to finalising draft documents and plans for public input as required by legislation.</p>



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	<p>of draft documents, not after they are completed.</p>	
<p>Small Business Friendly Charter</p>	<p>Toowoomba Regional Council commitment to small business is:</p> <ul style="list-style-type: none"> • We will communicate and engage with small business. • We will raise the profile and capability of small business. • We will support small business resilience and recovery. • We will simplify administration and regulation for small business (red tape reduction) • We will develop and promote place-based programs for small businesses • We will ensure fair procurement and prompt payment terms for small business. • We will promote and showcase small business. • We will measure and report on our performance (<i>refer attached Small Business Friendly Charter</i>). <p>In July 2022, the Toowoomba Business Sentiment Index indicated that Red Tape was a significant barrier to small business success (<i>refer attached</i>).</p> <p>In November 2022, our members indicated via our Toowoomba Regional Council Report Card that administration and regulation for small business was holding small business back (<i>refer attached</i>).</p> <p>In June 2023, the Toowoomba Business Sentiment Index indicated that Red Tape had worsened in the last 12 months and was a more significant barrier to small business success (<i>refer attached</i>).</p>	<p>Add to Goal 3 Prosperity a key priority as follows:</p> <p>Work with the small business community to implement the Small Business Friendly Charter.</p>



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	<p>It is noted that the draft Corporate Plan identifies key priorities to support for businesses through local procurement and work with peak bodies and representative groups like the Toowoomba Chamber to action initiatives that foster local businesses and generate local jobs.</p> <p>We note, red tape or the Small Business Friendly Charter commitment is not identified as a key priority.</p> <p>It is our view; these priorities only cover part of the commitment Toowoomba Regional Council made to the business community as a signatory to the Small Business Friendly Charter.</p>	
Housing	<p>It is noted that Housing is not identified as a key priority in the Corporate Plan.</p> <p>This is despite of this community concern being raised by the business community many times and how the current housing crisis is a deterrent to business attraction, is a disincentive to attracting a workforce, impacts on the ability of businesses to deliver their service, effects the image of the city, and inhibits business growth and success. They delivered their stories of increased homelessness, lack of land supply, the lowest rental availability on record, affordability challenges, a decrease in service delivery and the inability to house workers in the region. Since then, it is considered that the housing crisis has worsened.</p> <p>In June 2023, the Toowoomba Business Sentiment Index indicated that housing was a key factor in strangling the city's growth and investment.</p>	<p>Add to Goal 3 Prosperity a key priority as follows:</p> <p>Housing.</p>





<p>Employer of Choice</p>	<p>Work Healthy Australia articulate that being an employer of choice implies a company offers well structured initiatives and strategies that promote and encourage well-being, success, and productivity of its workforce.</p> <p>They say, an employer of choice creates a positive workplace, helps to attract, and retain staff.</p> <p>A key priority for all organisations is to become and be known as, an employer of choice. An achievement created by “personal attitude” and the collective “company culture” that is built on the back of an empowered workforce, welcoming, fair, meaningful workplace, and trusted leaders.</p> <p>We note, no key priority refers to workforce or workplace culture.</p> <p>It is our view; these priorities only cover part of what is required to be an Employer of Choice.</p>	<p>Add Goal 4 – Performance a key priority as follows::</p> <p>Be known as an employer of choice.</p>
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Please do not hesitate to contact me if you require anything further.

We look forward to your consideration and receiving a response to our submission.

Yours sincerely

Todd Rohl
Chief Executive Officer





Small Business Friendly

Charter

Toowoomba Regional Council

Small businesses are at the heart of the Queensland economy and our regional communities. They create local employment opportunities, provide essential goods and services and play a critical role in the social fabric of our regions.

This Small Business Friendly Councils (SBFC) initiative outlines the commitment between local councils, its partners and small businesses to support a prosperous and sustainable small business sector in communities across Queensland.

Our commitment to small business

- We will communicate and engage with small businesses
- We will raise the profile and capability of small businesses
- We will support small business resilience and recovery
- We will simplify administration and regulation for small business (red tape reduction)
- We will develop and promote place-based programs for small businesses
- We will ensure fair procurement and prompt payment terms for small businesses
- We will promote and showcase small businesses.
- We will measure and report on our performance.

We agree to uphold the commitments set out in this Charter (stated above and detailed overleaf) and implement the SBFC initiative in our local government area in line with these commitments.

Paul Antonio
Mayor

Dated:

Maree Adshead
Queensland Small Business Commissioner

Dated:

An initiative of the
Queensland
Small Business
Commissioner



Queensland
Government



What our commitments mean

We will communicate and engage with small businesses

- actively engage and be mindful of small businesses, their issues and priorities when decision-making
- communicate clearly in a timely manner both formally and informally
- engage with state-wide partners where appropriate on matters affecting small businesses
- publish clear service standards stating what small businesses can expect from us.

We will raise the profile and capability of small businesses

- recognise and value the importance of small businesses to our community and local economy
- encourage shopping locally and promote small business campaigns (e.g. 'buy local', 'go local first')
- help small businesses develop networks, access education and increase their capability
- assist small businesses to access government, business and industry programs and resources.

We will support small business resilience and recovery

- with support from state-wide partners deliver short, medium, long term activities to help with recovery and resilience building following disaster events or economic shocks
- adopt a business disruption management good practice guide (e.g. working with small business to minimise disruption during local capital works projects).

We will simplify administration and regulation for small business (red tape reduction)

- limit unnecessary administration and implement business improvement processes
- support small businesses to achieve regulatory compliance
- apply licences and regulations in a consistent manner in collaboration with other councils and relevant agencies
- regularly review administration and regulatory requirements, policies and procedures to reduce red tape
- maintain a timely and cost effective internal review and complaint process in relation to council decisions.

We will ensure fair procurement and prompt payment terms for small businesses

- implement a procurement policy that provides a fair opportunity to provide goods and services
- help find local council procurement opportunities to assist in tendering
- pay all valid invoices from small business suppliers within a stated reasonable period (e.g. 20 calendar days).

We will develop and promote place-based programs for small businesses

- identify, develop and promote a minimum of two place-based programs which are important for start-ups, growing businesses and building resilience (these may include existing or new programs).

We will promote and showcase small businesses

- promote participation via marketing and communication channels (e.g. in collaboration with local chamber of commerce)
- create awareness by promoting the SBFC initiative (e.g. SBFC branding online and across marketing and communication materials)
- sharing successes, ideas and learnings with other councils and partners
- allow the Queensland Small Business Commissioner to promote council programs and activities related to the SBFC initiative.

We will measure and report on our performance

- seek regular feedback from our small businesses to help drive business improvement
- monitoring the commitments in this Charter to ensure we fulfill these obligations
- publish a report in relation to council's performance in relation to the SBFC initiative within six months of signing the Charter and once every 12 months thereafter.

For the duration of Toowoomba Regional Council's current term, we agree to the terms outlined in this charter and agree to implement the SBFC initiative nothing that it is not a legally binding agreement

An initiative of the Queensland Small Business Commissioner



mccrindle



Toowoomba Business Performance Sentiment Index

Discovering the pulse of local businesses

June 2022

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The Business Performance Sentiment Index (PSI)

Design

The Business Performance Sentiment Index (Business PSI), developed by McCrindle, is an ongoing measure of business performance, conditions, and sentiment.

The Business PSI provides a snapshot of business health. This latest edition of the Business PSI features the 2022 results for the Toowoomba Regional Council Local Government Area.

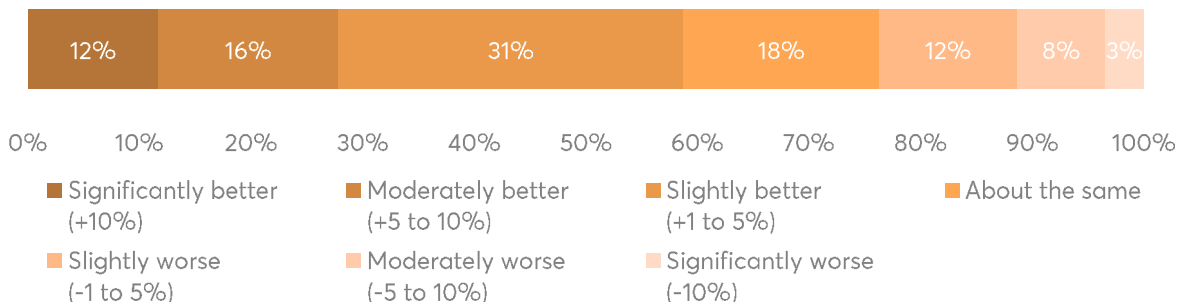
The Business PSI covers three key business measures which are performance, sentiment, and conditions. The PSI uniquely charts these measures on a scale ranging from accelerating on the extreme positive to collapsing on the extreme negative. Each key measure (conditions, performance, and sentiment) is comprised of sub-measures made up of several indicator questions.



The PSI is calculated using 21 targeted questions. Each question involves a 7-point Likert scale. The question results indicate whether business conditions, performance, and sentiment are positive (improving, rising, advancing, accelerating) or negative (slowing, falling, deteriorating, collapsing).

The average of the three key measures (conditions, performance, and sentiment) gives an overall Business PSI score. An example of an indicator question is provided below:

Based on current sales leads, enquiries, and sales activity, how do you think your overall revenue will compare in 12 months' time to today?



Purpose and use

The Business PSI is a robust measure of current performance, derived from actual earnings, expenses, staffing numbers etc. (performance and direction) as well as expectations of the future (sentiment and outlook).

The Business PSI is designed to be deployed in local and regional geographies. Doing so provides insight into economic conditions, regulatory settings and the impact of infrastructure in a local context. Highly contextual data allows for a nuanced understanding of business performance and conditions. The Business PSI's geographic specificity allows for the comparison of business performance by region, across a city, within a state, and across states.

Importantly, the Business PSI is also a longitudinal instrument allowing the comparison of regional business performance over time. Time specific data allows for analysis of local policies, investments, and infrastructure developments. It also allows for analysis of the way state and national issues, such as economic conditions, might affect local geographies.

Deployment

The Business PSI is a tested and easy-to-deploy 21 question survey. It allows business chambers and local governments to survey business stakeholders at any point in time and compare the results to other locations or previous deployments.

The Business PSI also allows industry groups and peak bodies to calculate PSI scores for specific industries (e.g. hairdressers, real estate agents) or broader business categories (i.e. retailers, B2B service providers, etc.).

The resulting PSI includes quantitative measures of business performance while incorporating attitudes, sentiment, and forecasts. This unique result delivers a comprehensive measure of actual and attitudinal performance, incorporating recent performance and current forecasts.

Participants

The 2022 Toowoomba Business PSI is based on the experiences, attitudes and expectations of business owners and managers in the Toowoomba Regional Council. The survey received 196 started responses and 132 completed responses. This report represents completed responses from business owners and managers only. Responses were collected from 1st of April to the 30th of May 2022 and are representative of various business sizes, locations and industries.

Indicator overview

The following tables outline the individual measures that form the conditions, performance, and sentiment components of the Business PSI.

Conditions

Measures	Indicators	Question example
Economic conditions	Local economic performance	How would you say the local economy is performing now compared to 12 months ago?
	Australia's economic performance	How would you say the Australian economy is performing now compared to 12 months ago?
Regulatory settings	Red tape and regulation requirements	How do the time and cost requirements related to compliance, legislation and regulations in your sector compare to 12 months ago?^
	Supportive government policy settings	How do government policy settings that support small businesses and assist your sector compare to 12 months ago?
Infrastructure and locale	Local infrastructure provision	How does the provision and performance of public transport, traffic and roads, parking availability and telecommunications compare to 12 months ago?
	Business expansion or reduction	Has there been any change (either expansion or reduction) in your office use, fit-out, number of locations, and/or commercial space in the last 12 months?
	Infrastructure and locale outlook	How will the provision and performance of public transport, traffic and roads, parking availability and telecommunications compare in 12 months' time?

Performance

Measures	Indicators	Question example
Earnings	Sales and revenue	How does your overall sales revenue compare to 12 months ago?
	Pre-tax profit	How does your operating and pre-tax profit compare to 12 months ago?
	Business cash flow	How does your business cash flow compare to 12 months ago?
Expenses	Business costs	How do your business costs compare to 12 months ago?
	Capital investments and expenses	How do your capital investments compare to 12 months ago?
Employment	Staffing levels	How do your staffing levels (both numbers and hours) compare to 12 months ago?
	Staff wages and on-costs	How do your staff wages and on-costs compare to 12 months ago?^

Sentiment

Measures	Indicators	Question example
Economic outlook	National economic outlook	How do you think the Australian economy will be performing in 12 months' time compared to today?
	Internal revenue outlook	How do you think your overall revenue will compare in 12 months' time to today?
Cost forecast	Expense forecast	How do you think your business expenses (input, staffing, materials, sales) will compare in 12 months' time to today?^
	Staffing level forecast	How do you think your staffing levels (both numbers and hours) will compare in 12 months' time to today?
Growth forecast	Profit forecast	How do you think your operating pre-tax profit will be in 12 months' time compared to today?
	Cash flow forecast	How do you think your business cash flow will be in 12 months' time compared to today?
	Expansion forecast	Do you foresee any change (either expansion or reduction) in your office use, fit-out, number of locations, and/or commercial space in the next 12 months?

^The results of these questions are inverted within the PSI. For example, an increase in the time and cost requirements related to compliance, legislation and regulations would impede business growth rather than advance performance.

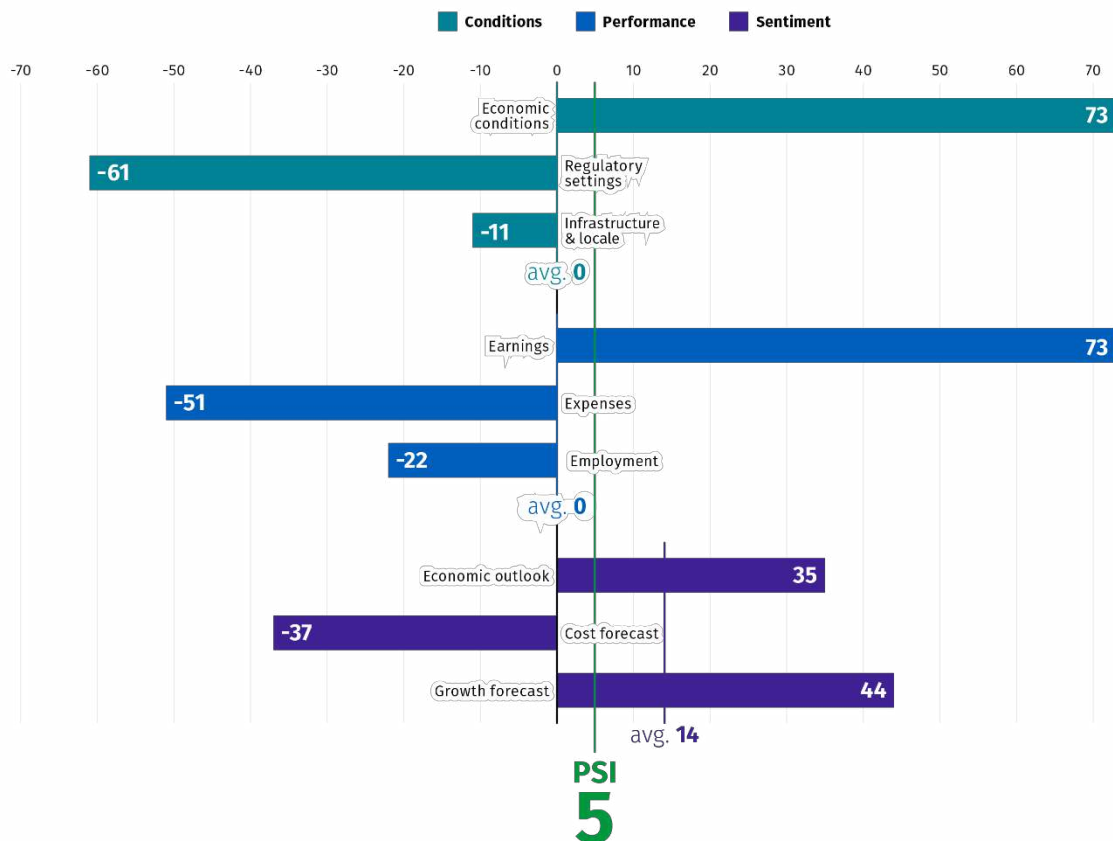
Results

The inaugural Toowoomba Business PSI is a score of 5. This indicates improving business conditions, performance, and sentiment across the Toowoomba business community.

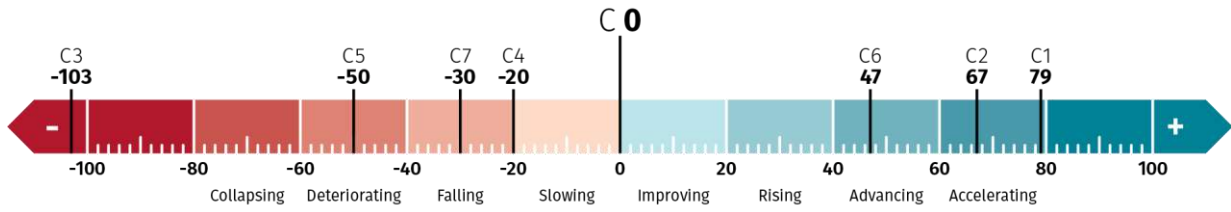
The accelerating economic performance both locally and nationally lifts the negatively trending regulatory settings and infrastructure and locale. Overall, the Toowoomba business community hold a neutral view of operating conditions, scoring an average of 0.

In alignment with the strength of the local and national economy, business earnings are greater now than 12 months ago. This is, however, dampened by the increasing expenses and staff costs, bringing the average performance score also to 0.

While both the operating conditions and performance for businesses in Toowoomba is stagnant, the business community believe the future will be an improvement from today. Economic outlook and growth forecast over the next 12 months are rising. Cost forecast, however, is not immune to the supply chain pressure and inflationary conditions seen across the globe. The average sentiment score of the Toowoomba business community is 14, an indication that future outlook is improving.



Conditions

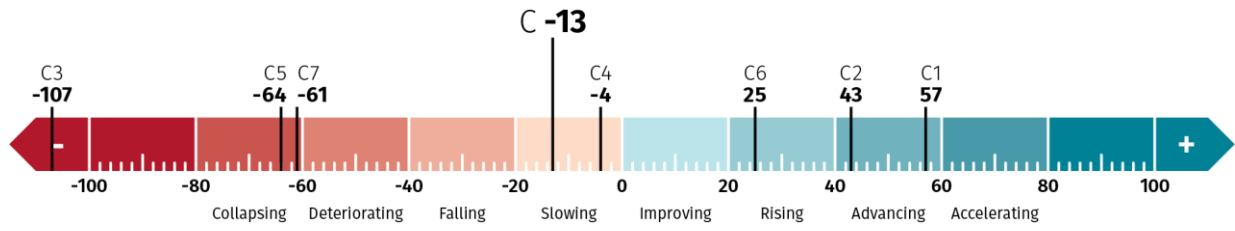


The total condition score of 0 is a combination of varying individual condition indicators. With economic improvements both locally and nationally, businesses in Toowoomba are likely to report business expansion. Government policy settings and red tape and regulation requirements are, however, seen to be collapsing. The

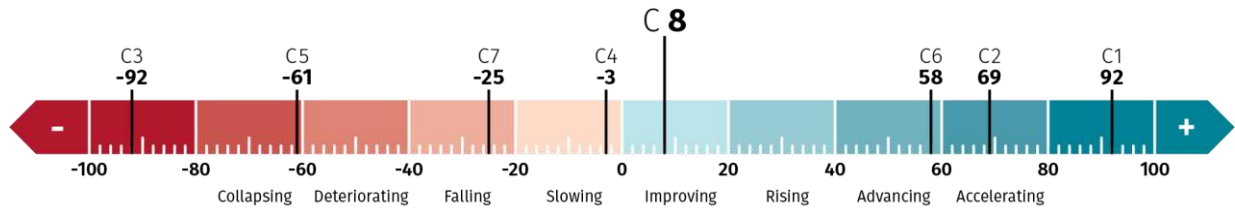
Toowoomba business community also consider the current provision of infrastructure an issue, with future sentiment also trending negatively. The combined effect of the above is a net neutral operating environment for businesses in Toowoomba.

Measure	Key	Indicator	2022
Economic conditions	C1	Local economic performance	79
	C2	Australia's economic performance	67
Regulatory settings	C3	Red tape and regulation requirements	-103
	C4	Supportive government policy settings	-20
Infrastructure and locale	C5	Local infrastructure provision	-50
	C6	Business expansion or reduction	47
	C7	Infrastructure and locale outlook	-30
Total score			0

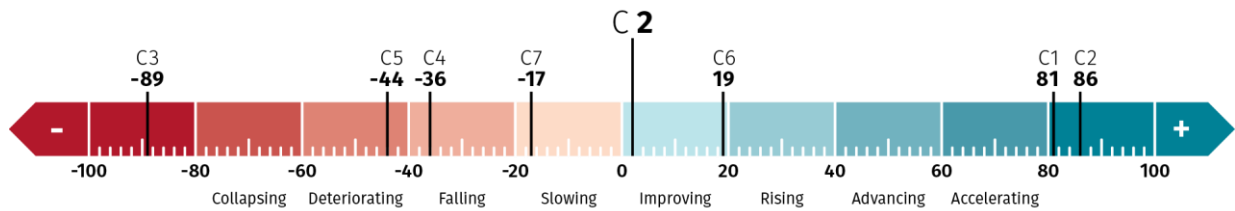
Sole traders (no employees)



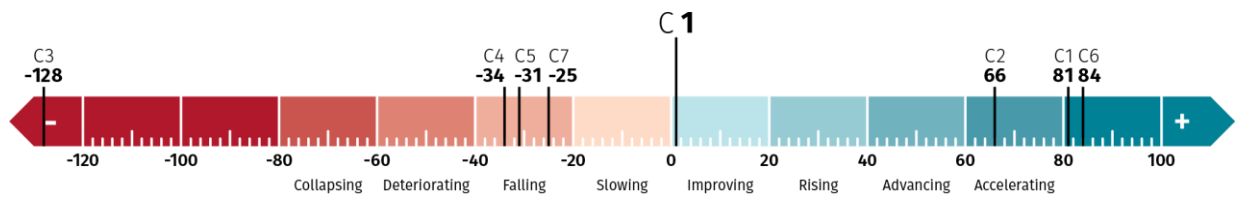
Micro (one to four employees)



Small (five to 19 employees)

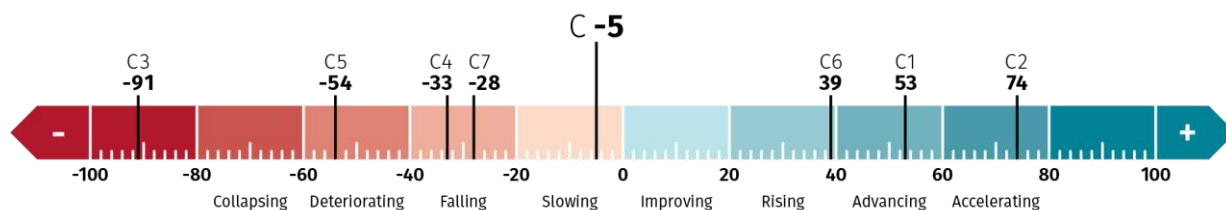


Medium+ (20+ employees)

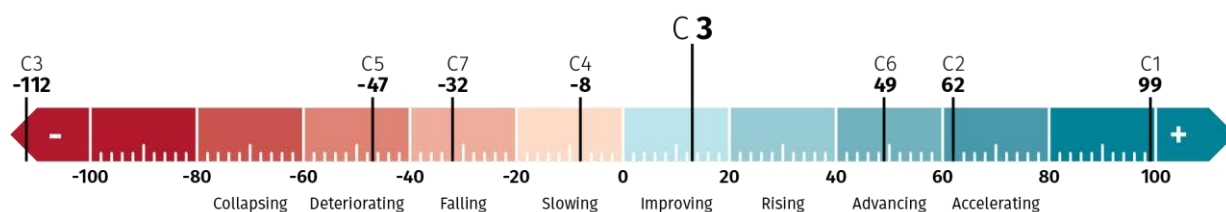


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Economic conditions	C1	Local economic performance	57	92	81	81
	C2	Australia's economic performance	43	69	86	66
Regulatory settings	C3	Red tape and regulation requirements	-107	-92	-89	-128
	C4	Supportive government policy settings	-4	-3	-36	-34
Infrastructure and locale	C5	Local infrastructure provision	-64	-61	-44	-31
	C6	Business expansion or reduction	25	58	19	84
	C7	Infrastructure and locale outlook	-61	-25	-17	-25
Total score			-13	8	2	1

B2B

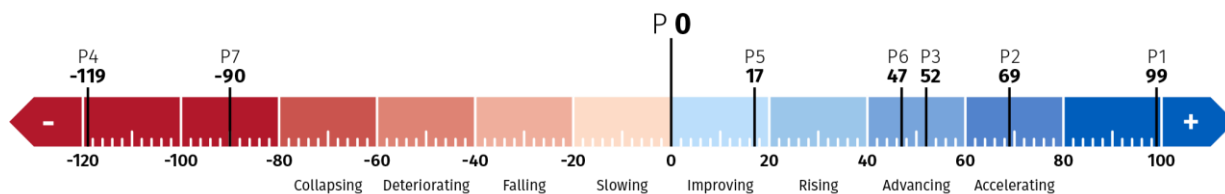


B2C



Measure	Key	Indicator	B2B	B2C
Economic conditions	C1	Local economic performance	53	99
	C2	Australia's economic performance	74	62
Regulatory settings	C3	Red tape and regulation requirements	-91	-112
	C4	Supportive government policy settings	-33	-8
Infrastructure and locale	C5	Local infrastructure provision	-54	-47
	C6	Business expansion or reduction	39	49
	C7	Infrastructure and locale outlook	-28	-32
Total score			-5	3

Performance

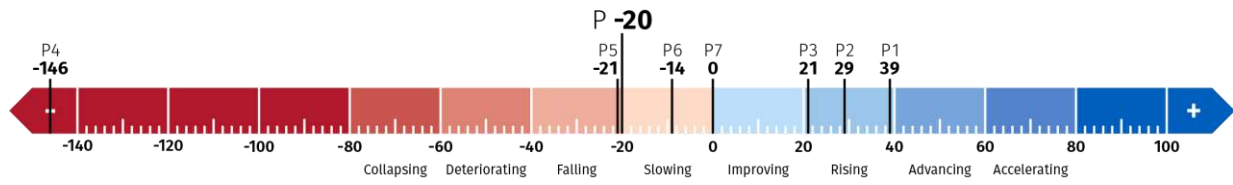


Reflective of the issues facing the global economy, business costs and staff wages are heavily affecting the business community in Toowoomba. Indicator scores of -119 for business costs and -90 for staff wages and on-costs are dampening an otherwise very positive 12 months of performance.

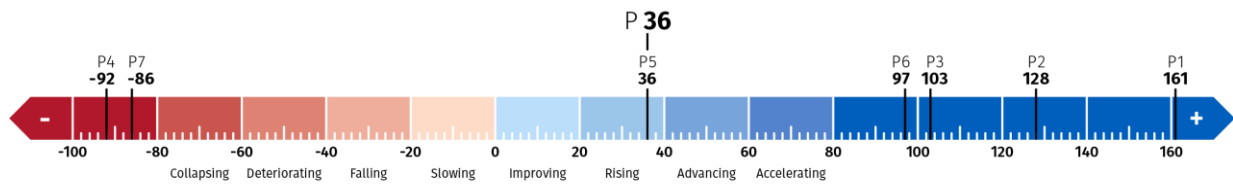
Sales and revenue and pre-tax profit are accelerating, business cash flow is advancing. Businesses are also reporting improvement in capital investments and expenses as well as rising staff levels. Overall, however, performance for 2022 in Toowoomba has total score of 0.

Measure	Key	Indicator	2022
Earnings	P1	Sales and revenue	99
	P2	Pre-tax profit	69
	P3	Business cash flow	52
Expenses	P4	Business costs	-119
	P5	Capital investments and expenses	17
Employment	P6	Staffing levels	47
	P7	Staff wages and on-costs	-90
Total score			0

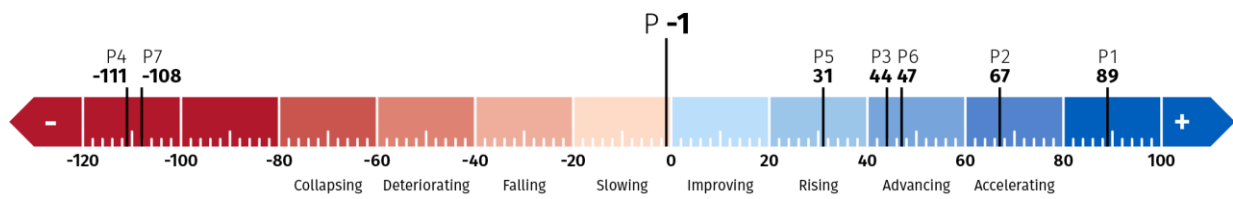
Sole traders (no employees)



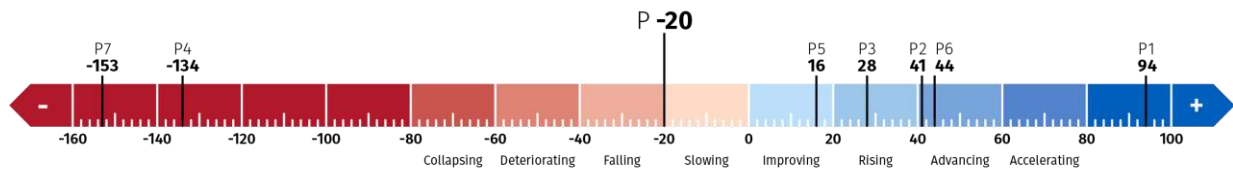
Micro (one to four employees)



Small (five to 19 employees)

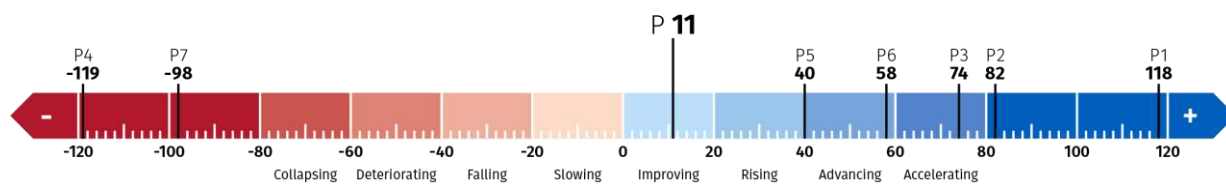


Medium+ (20+ employees)

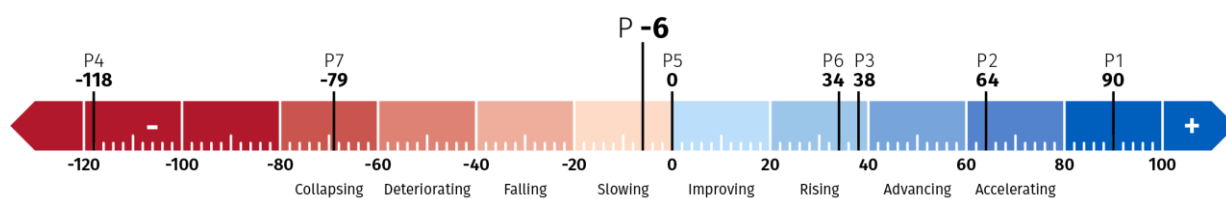


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Earnings	P1	Sales and revenue	39	161	89	94
	P2	Pre-tax profit	29	128	67	41
	P3	Business cash flow	21	103	44	28
Expenses	P4	Business costs	-146	-92	-111	-134
	P5	Capital investments and expenses	-21	36	31	16
Employment	P6	Staffing levels	-14	97	47	44
	P7	Staff wages and on-costs	-0	-86	-108	-153
Total score			-20	36	-1	-20

B2B

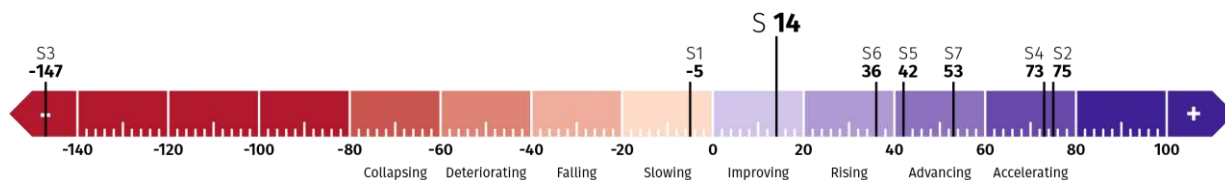


B2C



Measure	Key	Indicator	B2B	B2C
Earnings	P1	Sales and revenue	118	90
	P2	Pre-tax profit	82	64
	P3	Business cash flow	74	38
Expenses	P4	Business costs	-119	-118
	P5	Capital investments and expenses	40	0
Employment	P6	Staffing levels	58	34
	P7	Staff wages and on-costs	-98	-79
Total score			11	-6

Sentiment

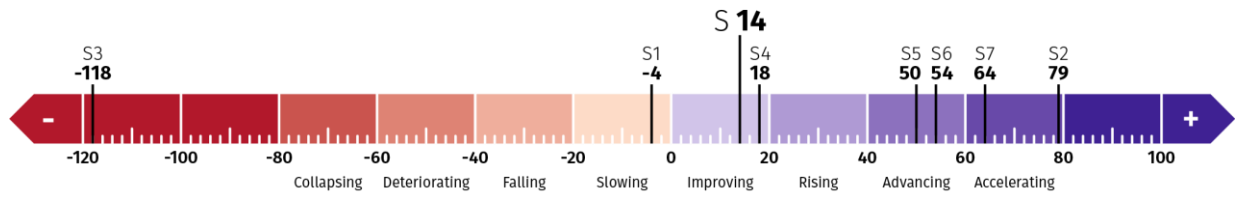


Despite expense forecast growing and the outlook of a slowing national economy, looking ahead to the next 12 months, the sentiment of the business community is positive, particularly regarding business growth. Internal revenue is forecast to remain strong. Staffing levels are projected to rise

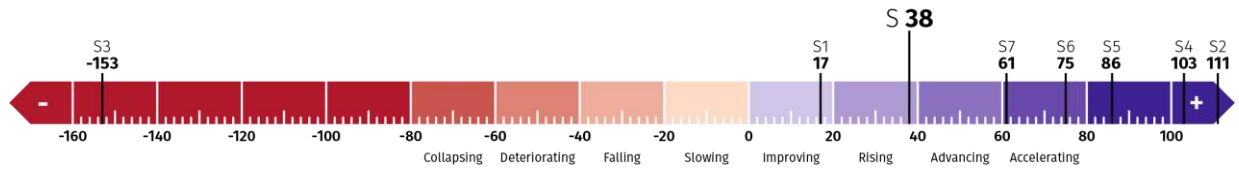
in spite of the challenge of staff costs. Profit, cash flow, and expansion are all expected to be better in 12 months' time. The overall sentiment of business owners and managers in Toowoomba looking towards 2023 is improving.

Measure	Key	Indicator	2022
Economic outlook	S1	National economic outlook	-5
	S2	Internal revenue outlook	75
Cost forecast	S3	Expense forecast	-147
	S4	Staffing level forecast	73
Growth forecast	S5	Profit forecast	42
	S6	Cash flow forecast	36
	S7	Expansion forecast	53
Total score			14

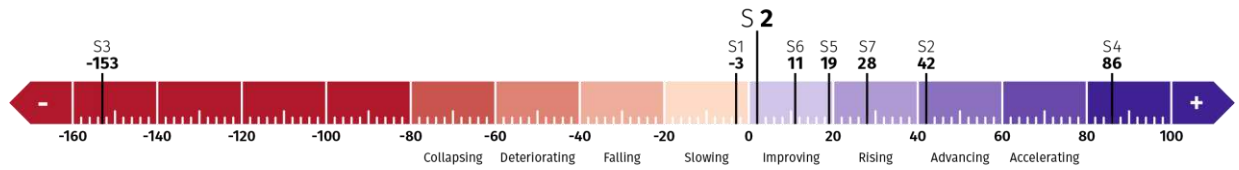
Sole trader (no employees)



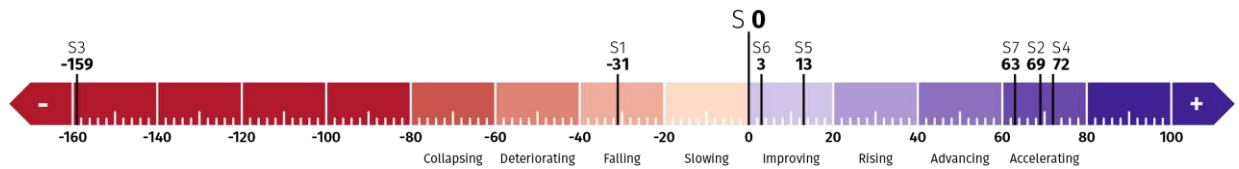
Micro (one to four employees)



Small (five to 19 employees)

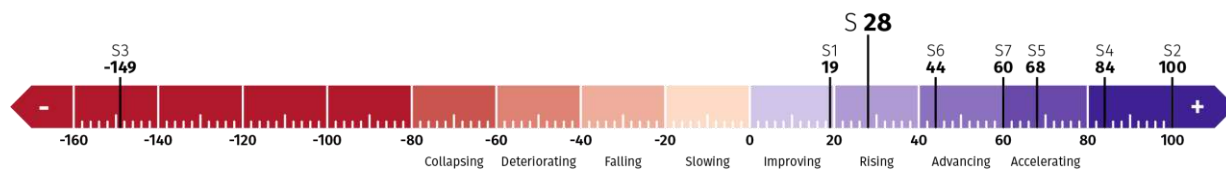


Medium+ (20+ employees)

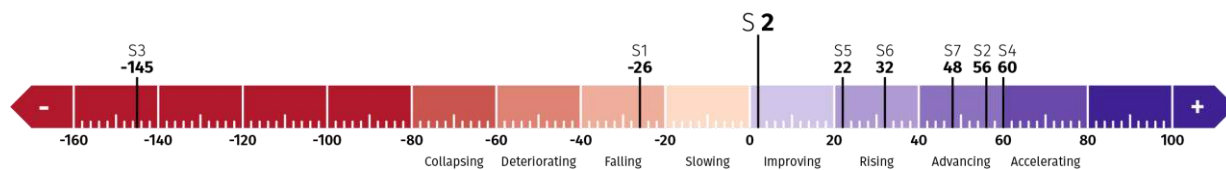


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Economic outlook	S1	National economic outlook	-4	17	-3	-31
	S2	Internal revenue outlook	79	111	42	69
Cost forecast	S3	Expense forecast	-118	-153	-153	-159
	S4	Staffing level forecast	18	103	86	72
Growth forecast	S5	Profit forecast	50	86	19	13
	S6	Cash flow forecast	54	75	11	3
	S7	Expansion forecast	64	61	28	63
Total score			14	38	2	0

B2B



B2C



Measure	Key	Indicator	B2B	B2C
Economic outlook	S1	National economic outlook	19	-26
	S2	Internal revenue outlook	100	56
Cost forecast	S3	Expense forecast	-149	-145
	S4	Staffing level forecast	84	60
Growth forecast	S5	Profit forecast	68	22
	S6	Cash flow forecast	44	32
	S7	Expansion forecast	60	48
Total score			28	2

Further insights

Net Promoter Score

The Net Promoter Score (NPS), developed by Bain & Company, is based on the perspective that every stakeholder can be divided into three categories: Promoters, Passives, and Detractors.

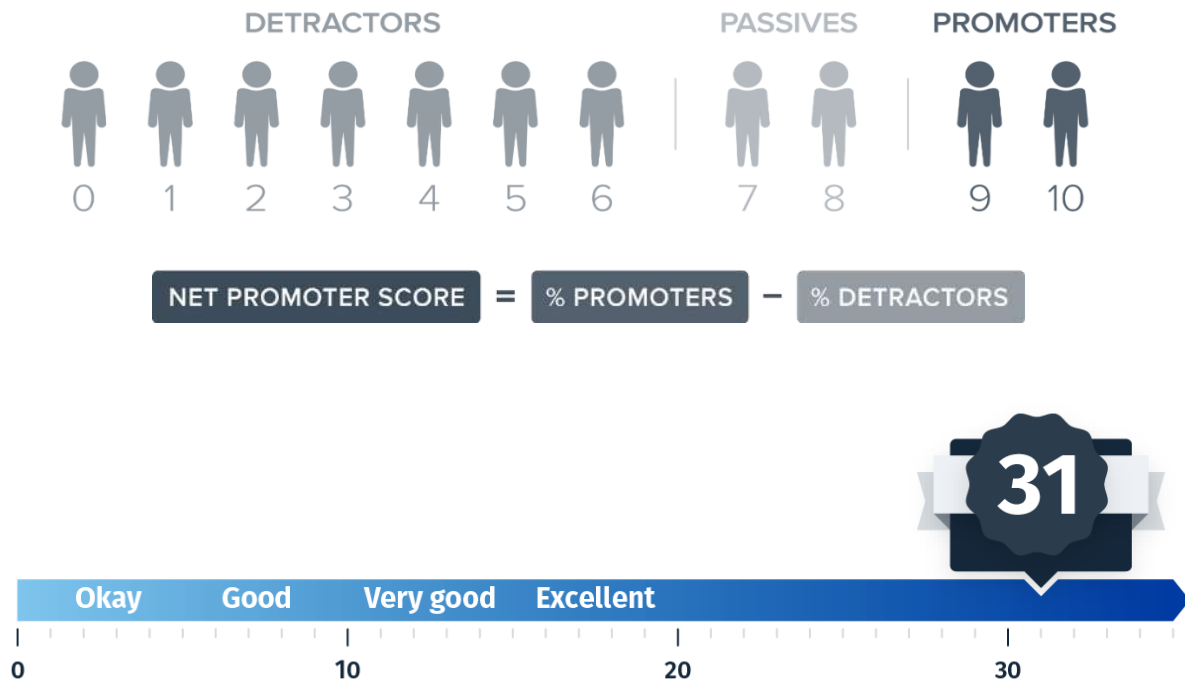
An organisation's NPS score can range anywhere between -100 and 100. A score above 0 is considered a good score, with organisations often receiving a negative result.

Supporters respond on a 0-to-10-point rating scale and are categorised as follows:

- Promoters (score 9-10) are loyal enthusiasts who will keep engaging and will refer others, fuelling growth.
- Passives (score 7-8) are satisfied but unenthusiastic stakeholders who are vulnerable to competitive offerings.
- Detractors (score 0-6) are unhappy stakeholders who can damage your brand and impede growth through negative word-of-mouth.

NPS score of 31

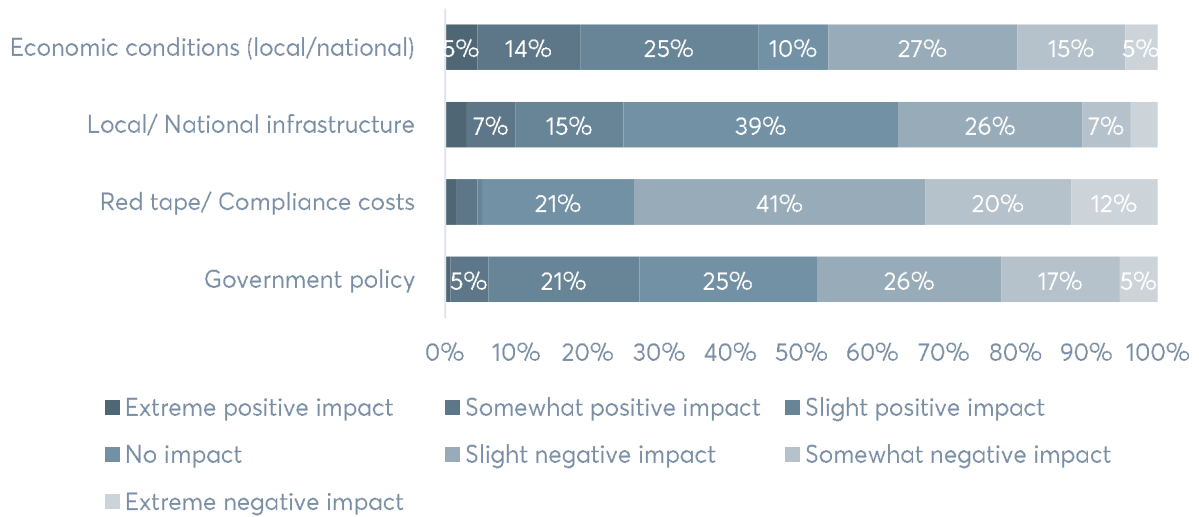
In 2022, Toowoomba Chamber of Commerce has an NPS of 31, indicating that business owners and managers are likely to recommend doing business in the Toowoomba Chamber of Commerce. Almost half of all business owners and managers (48%) are promoters of doing business in the Toowoomba Chamber of Commerce, a very positive assessment.



n=84 as this question is only applicable to Toowoomba Chamber of Commerce members.

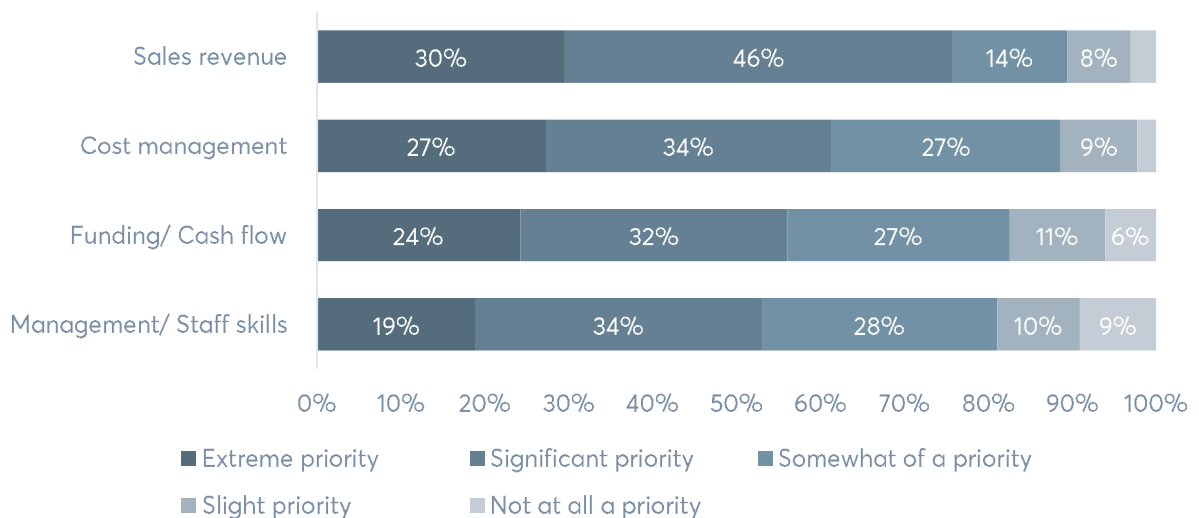
Issues on business performance

At the moment, do the following issues have a positive or negative impact on your business performance?



Business priorities

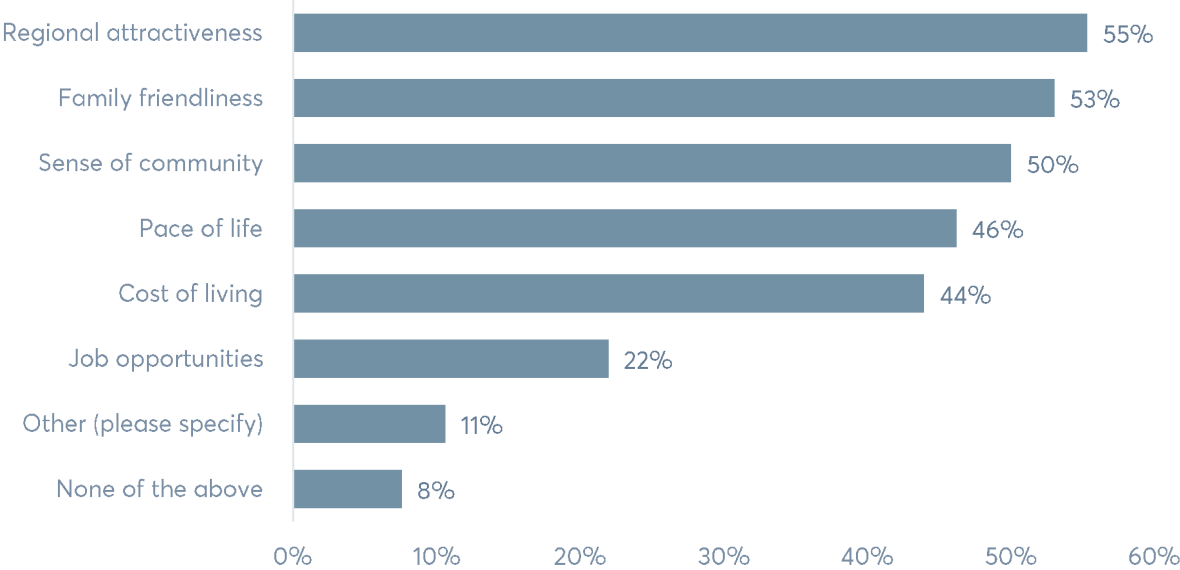
Thinking ahead to the next 6 months, how much are the following areas a priority for you to address?



Regional attractiveness

Which of the following are reasons you call Toowoomba Regional Council Local Government home?

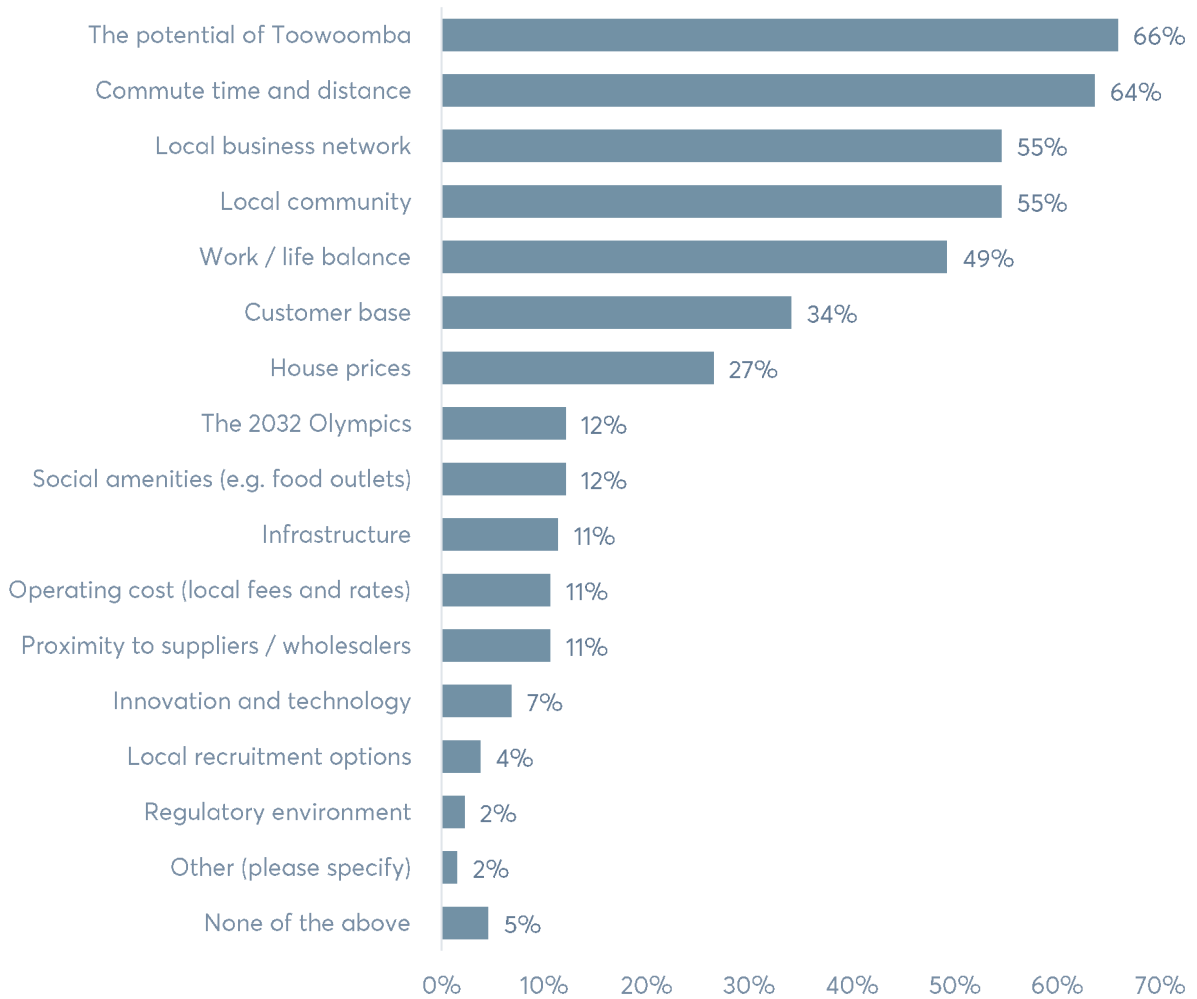
Please select all that apply.



Current and future strength

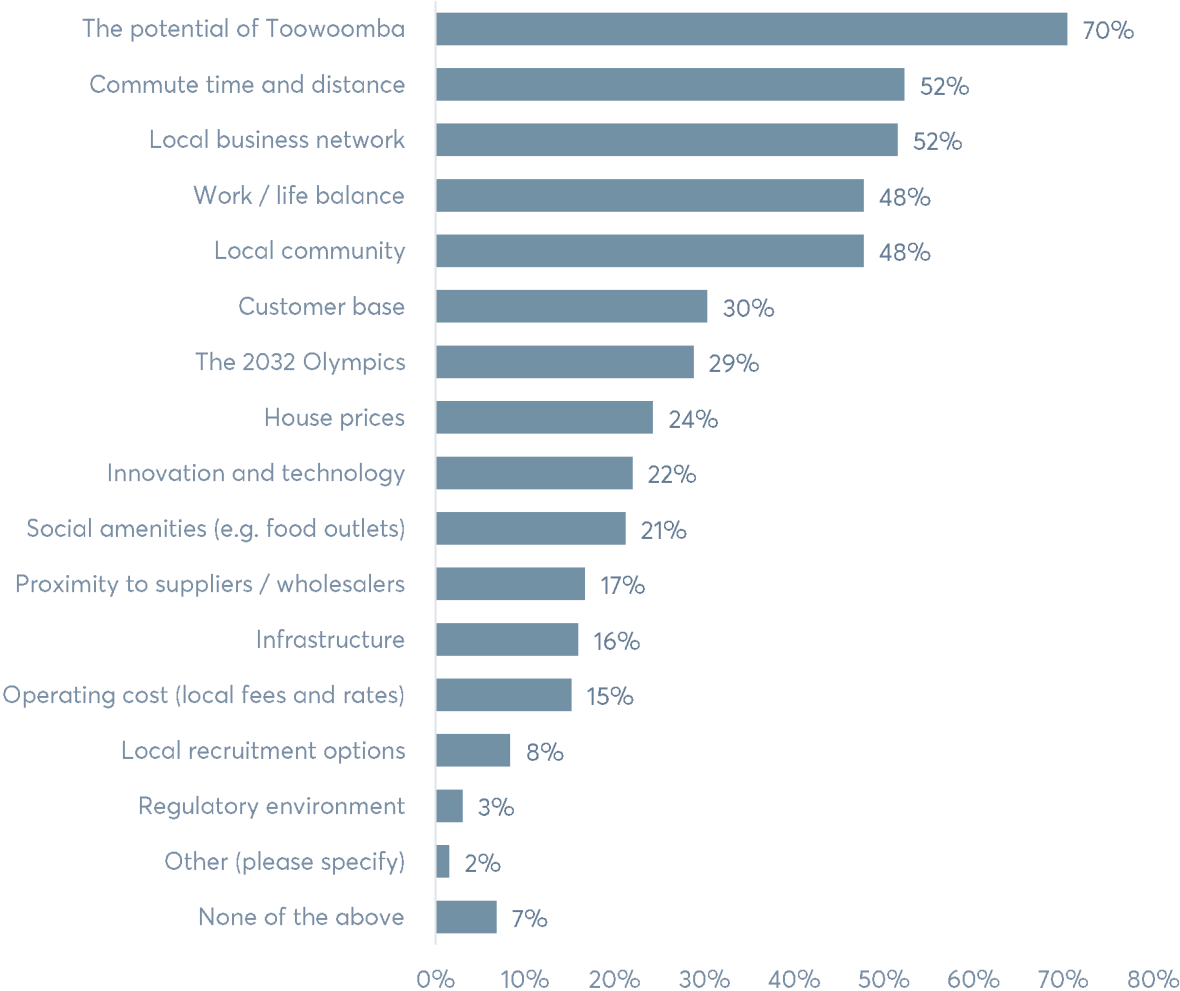
What are the current strengths of doing business in Toowoomba Regional Council Local Government Boundaries?

Please select all that apply.



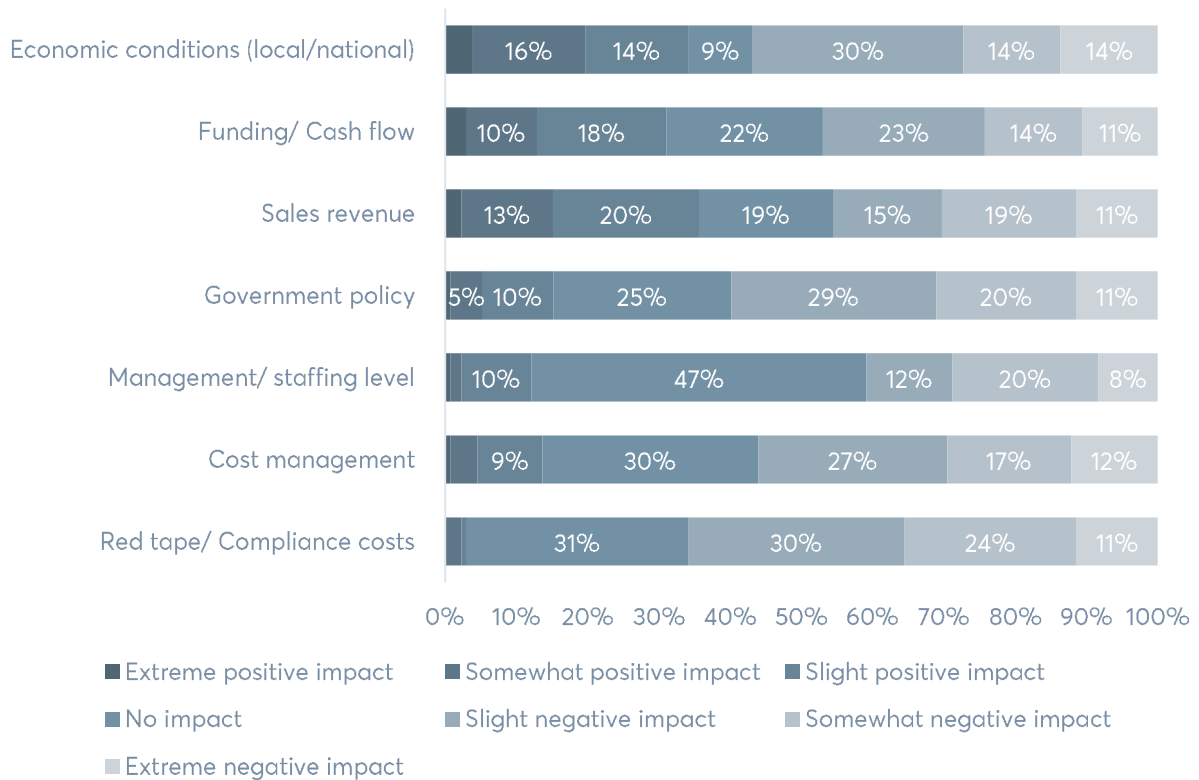
What do you see as the future strengths of doing business in Toowoomba Regional Council Local Government Boundaries?

Please select all that apply.



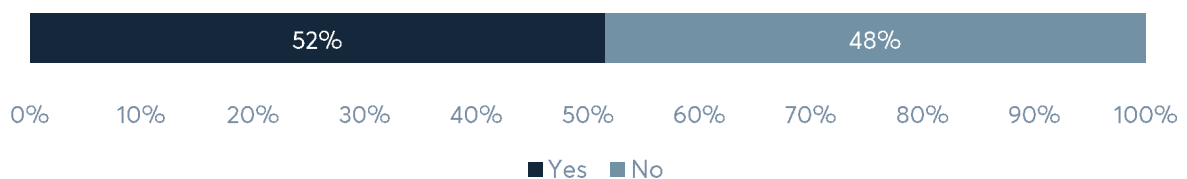
Impact of COVID-19

When thinking about the impact of COVID-19 and related restrictions, to what extent have the following impacted your business?



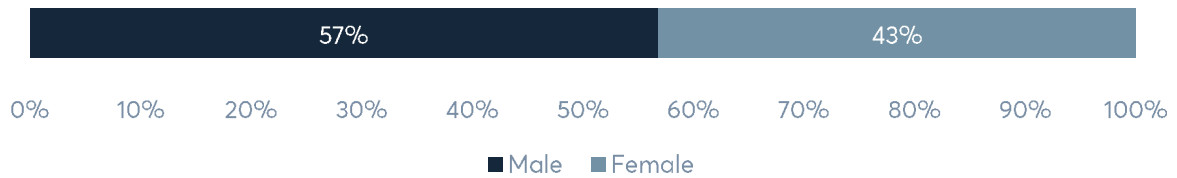
Local support

In the last twelve months have you (or your business) utilised any resources or received support provided by the Toowoomba Chamber of Commerce, such as online business information, business visit programs, business workshops or events?

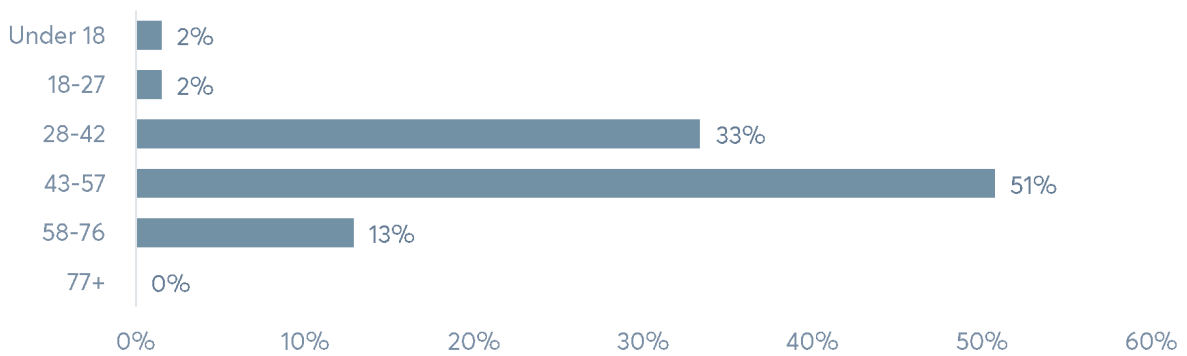


Respondent characteristics

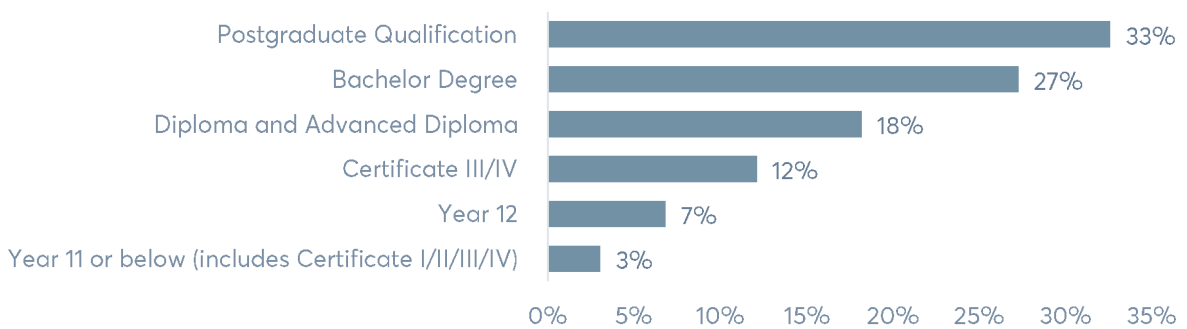
What is your gender?



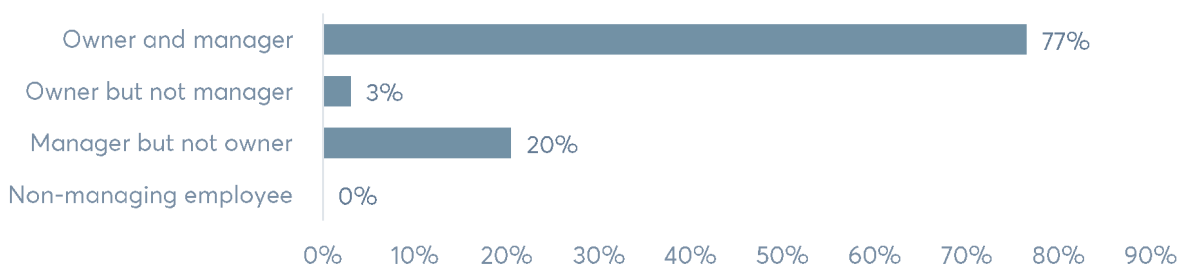
What age will you turn in 2022?



What is your highest level of completed education?

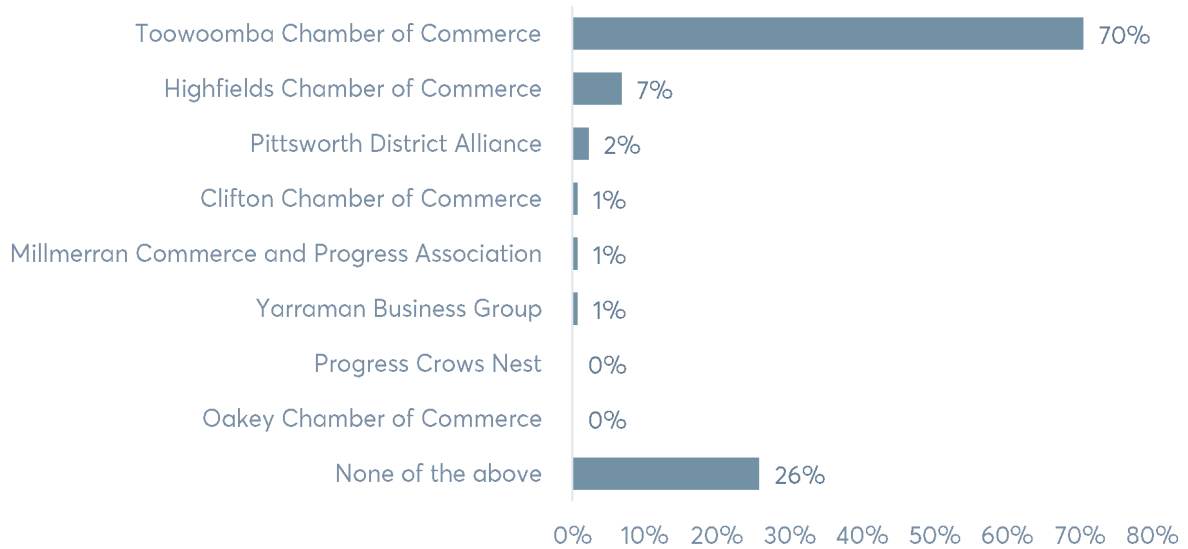


What is your current role within your business?



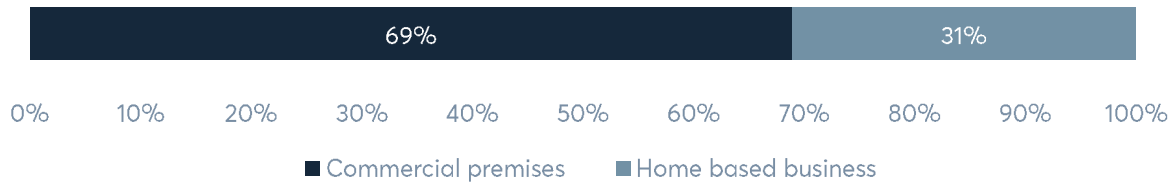
Are you a member of any of the following chambers/associations?

Please select all that apply.

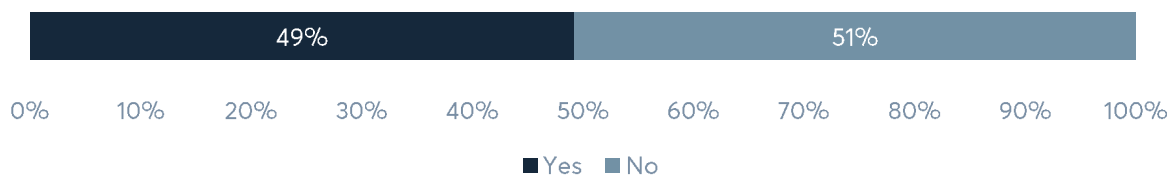


Are you operating out of commercial premises or a home based business?

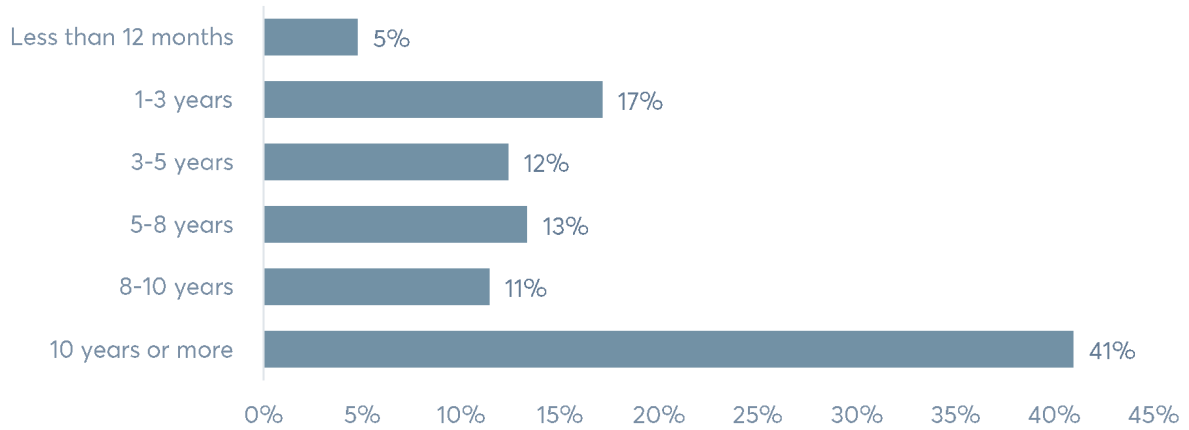
Please select the one that best describes the location of your business.



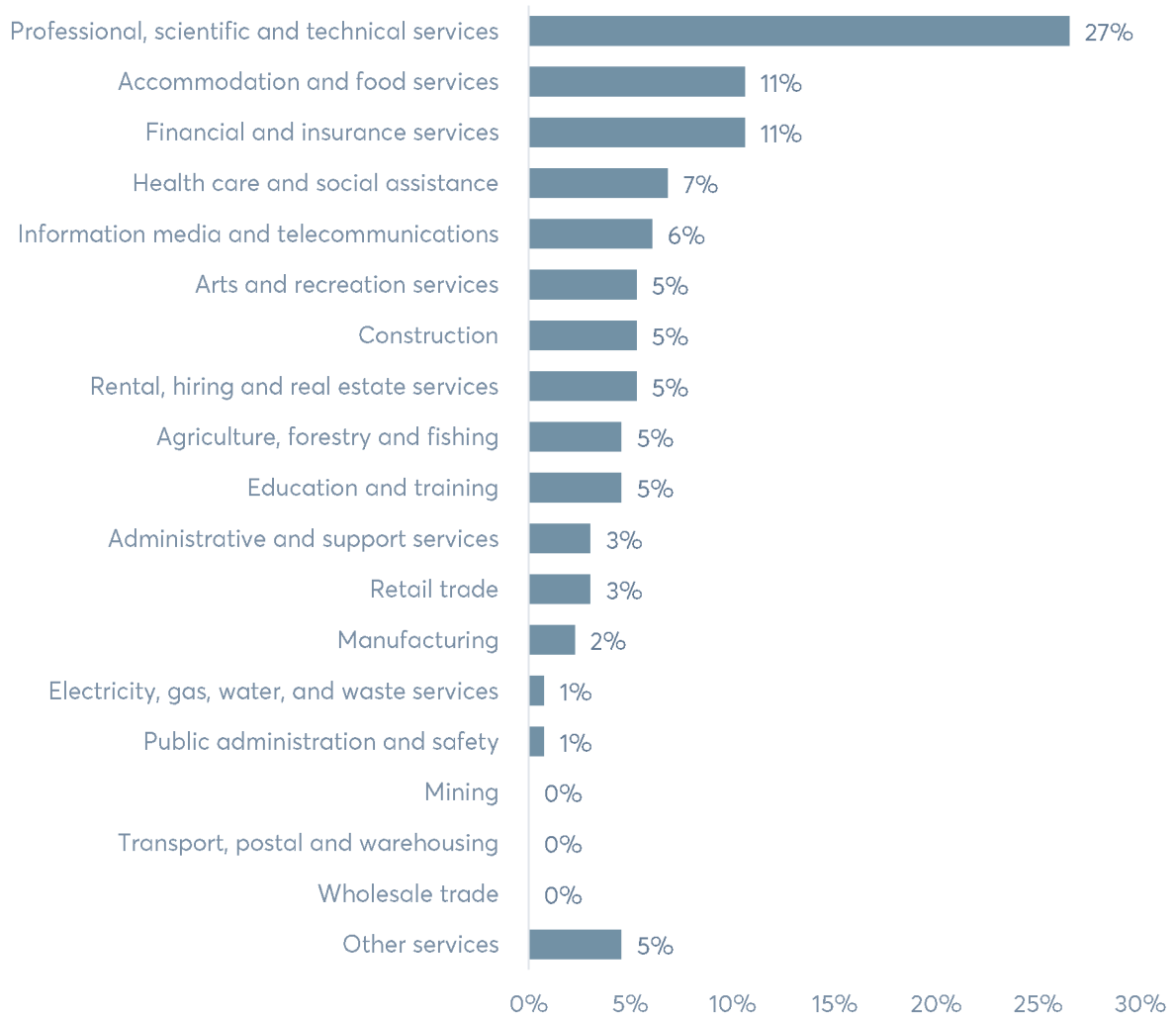
Have you ever owned a business prior to the business that you now own or manage?



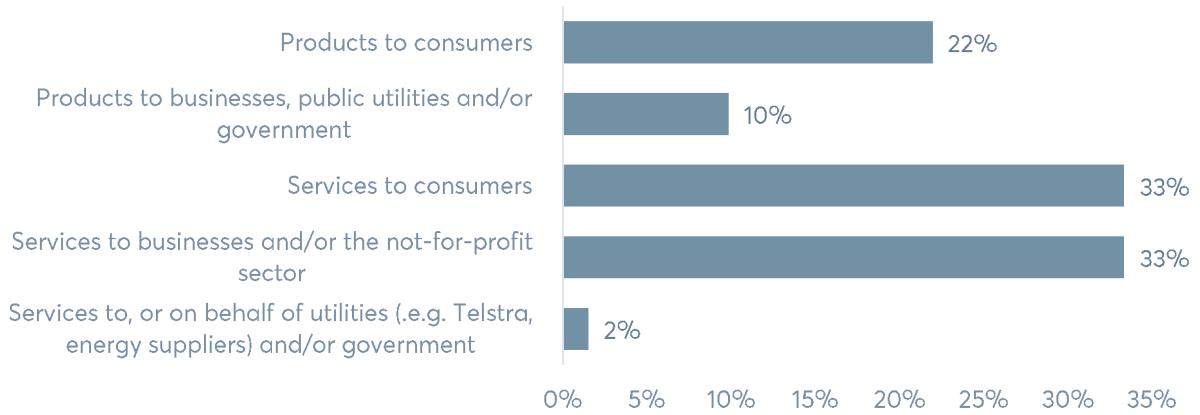
For how long have you been a business owner? n=105



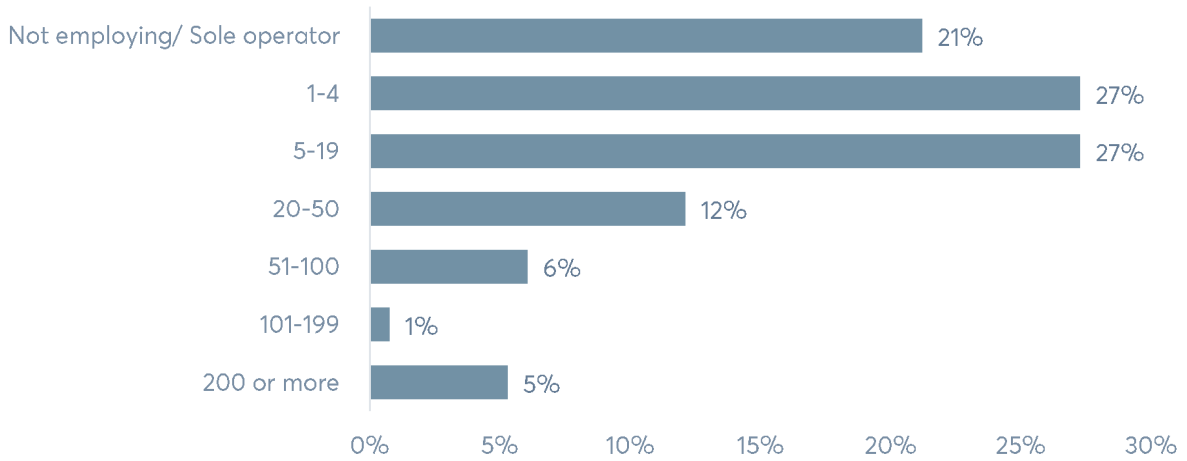
What industry sector do you operate in?



What does your business supply?



How many people does your business employ? *Please convert the work of any contractors into Full-Time Equivalent employees.*



Conducting your own PSI

The Business PSI can be conducted by any organisation, local government, or business chamber through partnership with McCrindle. The instrument is designed to be deployed every 12 months through a survey to business owners and managers for longitudinal tracking.

As the developers and deployment partners of the Business PSI, McCrindle can not only efficiently deploy, analyse, and visualise this survey for organisations, but act as a clearinghouse of the longitudinal data and so can provide benchmarking of industry or local results against other areas or sectors, as well as provide longitudinal comparison.

Partnership with McCrindle in deploying the Business PSI includes use of the Business PSI instrument, the raw data and output, a report of results, and assistance with commercial insights from the results.

Contact

For information on conducting your own PSI, contact McCrindle at info@mccrindle.com.au or call (02) 8824 3422.

For information and implications specific to the 2022 Toowoomba Business PSI, contact the Toowoomba Chamber of Commerce at admin@toowoombachamber.com.au or call (07) 4638 0400.

Get in touch.

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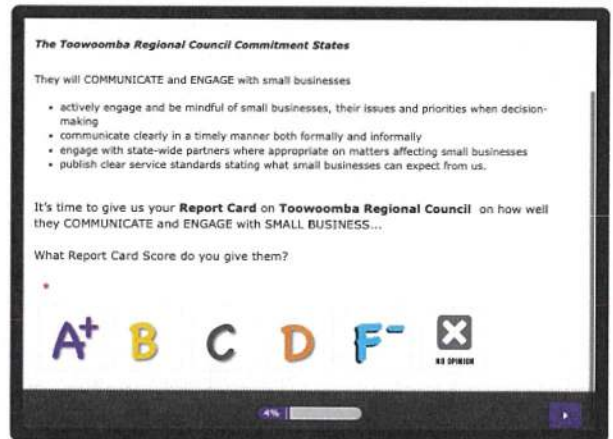
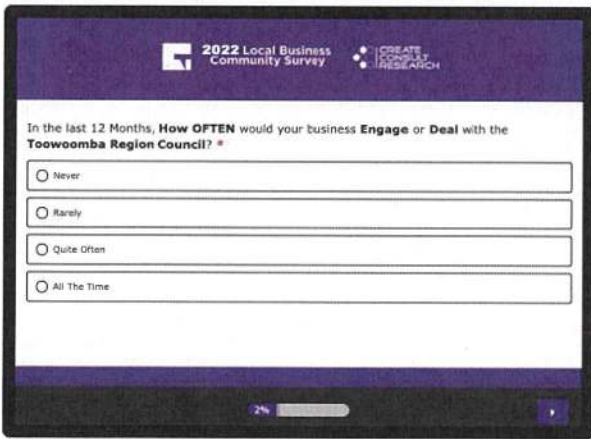
TRC | REPORT CARD

The **SMALL BUSINESS FRIENDLY COUNCILS (SBFC)** initiative outlines the commitment between local councils, its partners and small businesses to support a prosperous and sustainable small business sector in communities across Queensland. Toowoomba Region is a signatory of the agreement.

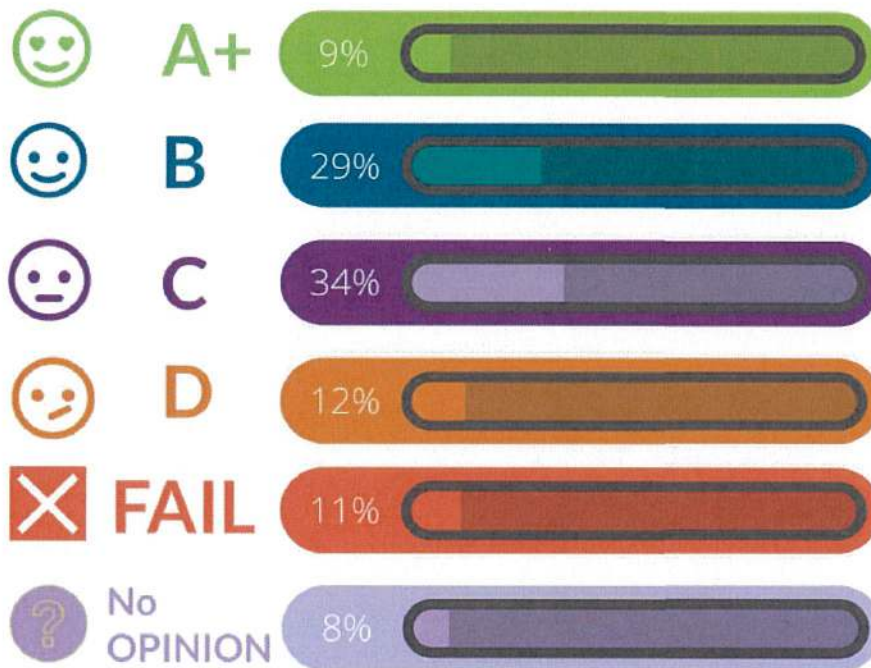
The **TOOWOOMBA BUSINESS SURVEY** explored perceptions with a **TRC REPORT CARD**.

1 WE ESTABLISHED THEIR **ENGAGEMENT WITH TRC** IN THE LAST 12 MONTHS

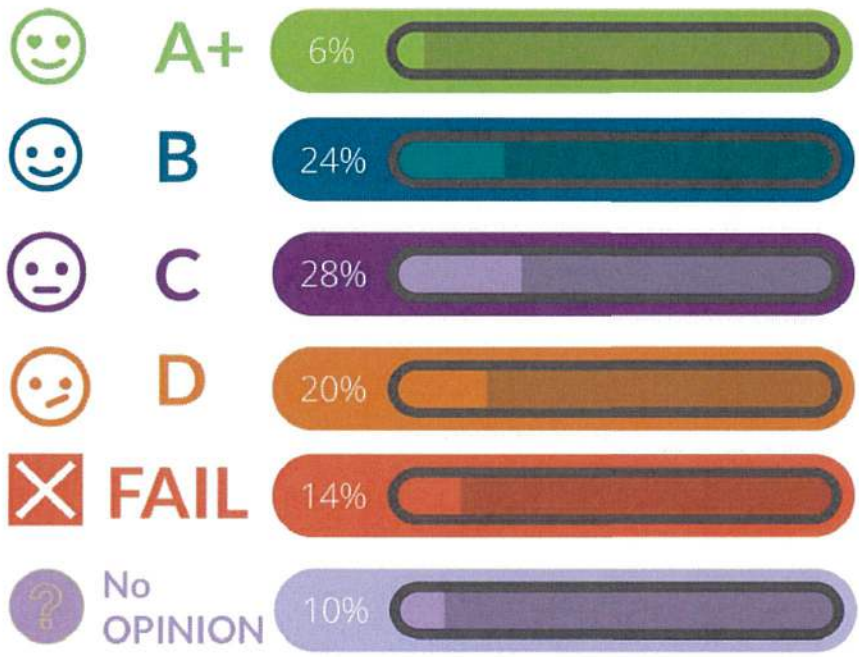
2 WE THEN **EXPLORED SIX OF THOSE COMMITMENTS WITH A REPORT CARD RATING**.



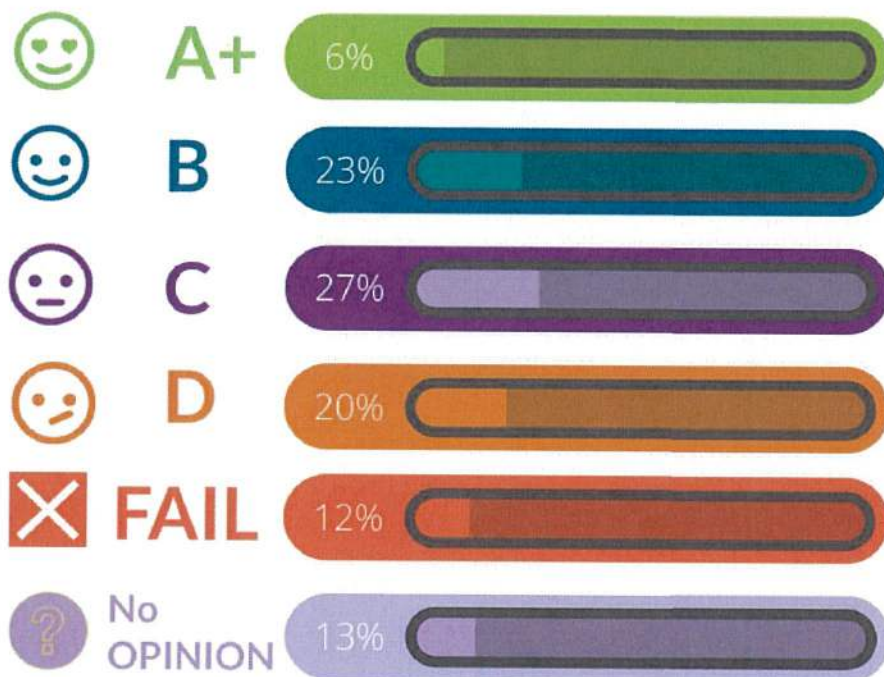
THEY WILL COMMUNICATE AND ENGAGE WITH SMALL BUSINESSES



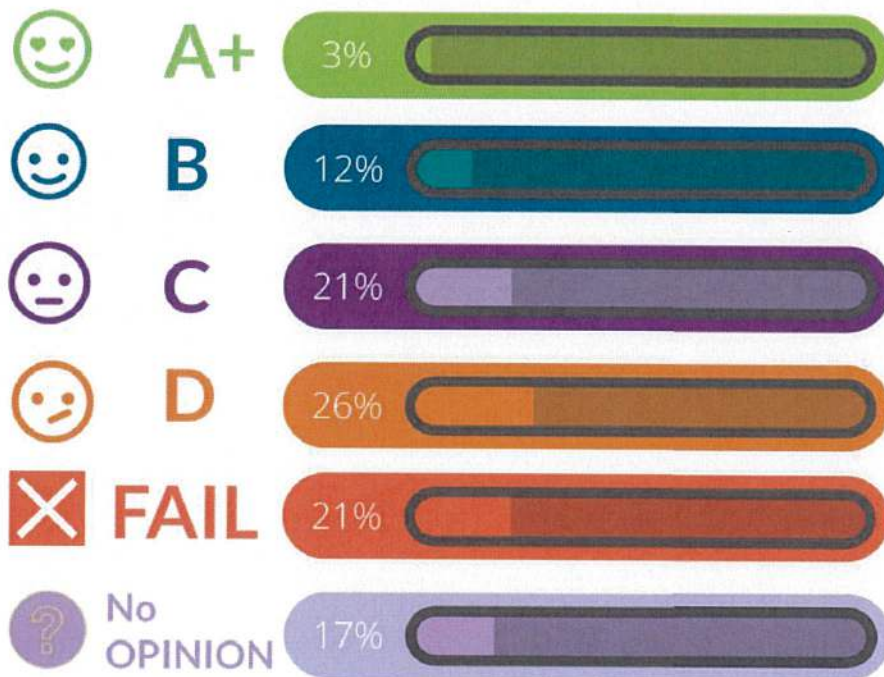
THEY WILL RAISE THE PROFILE AND CAPABILITY OF SMALL BUSINESSES



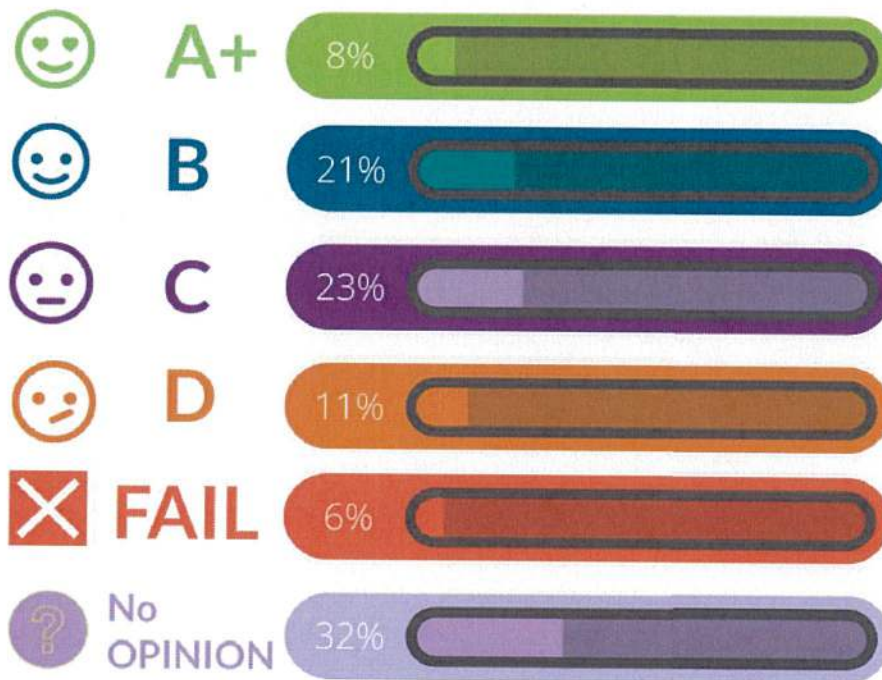
THEY WILL SUPPORT SMALL BUSINESS RESILIENCE AND RECOVERY



THEY WILL SIMPLIFY ADMINISTRATION AND REGULATION (RED TAPE REDUCTION)



THEY WILL ENSURE FAIR PROCUREMENT AND PROMPT PAYMENT TERMS



mccrindle



Toowoomba Business Performance Sentiment Index

Discovering the pulse of local businesses

June 2023

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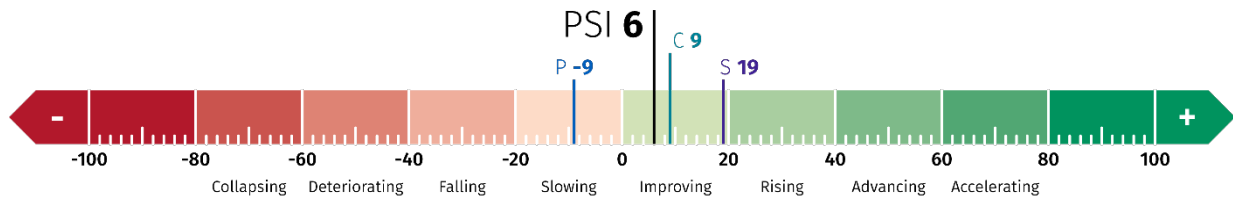
The Business Performance Sentiment Index (PSI)

Design

The Business Performance Sentiment Index (Business PSI), developed by McCrindle, is an ongoing measure of business performance, conditions, and sentiment.

The Business PSI provides a snapshot of business health. This latest edition of the Business PSI features the 2023 results for the Toowoomba Regional Council Local Government Area.

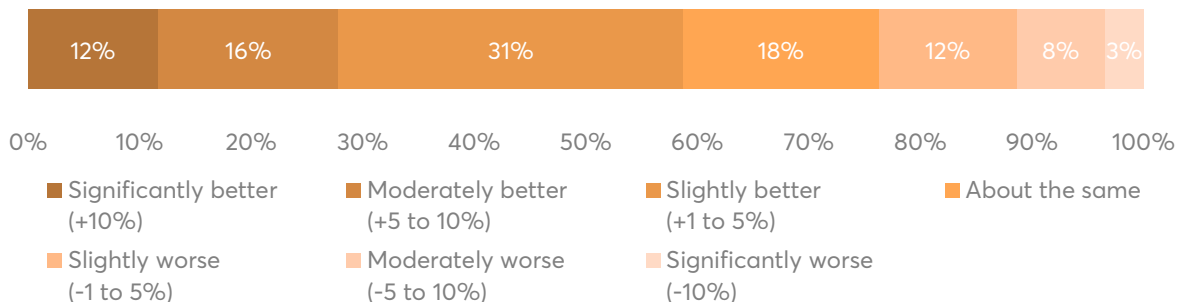
The Business PSI covers three key business measures which are performance, sentiment, and conditions. The PSI uniquely charts these measures on a scale ranging from accelerating on the extreme positive to collapsing on the extreme negative. Each key measure (conditions, performance, and sentiment) is comprised of sub-measures made up of several indicator questions.



The PSI is calculated using 21 targeted questions. Each question involves a 7-point Likert scale. The question results indicate whether business conditions, performance, and sentiment are positive (improving, rising, advancing, accelerating) or negative (slowing, falling, deteriorating, collapsing).

The average of the three key measures (conditions, performance, and sentiment) gives an overall Business PSI score. An example of an indicator question is provided below:

Based on current sales leads, enquiries, and sales activity, how do you think your overall revenue will compare in 12 months' time to today?



Purpose and use

The Business PSI is a robust measure of current performance, derived from actual earnings, expenses, staffing numbers etc. (performance and direction) as well as expectations of the future (sentiment and outlook).

The Business PSI is designed to be deployed in local and regional geographies. Doing so provides insight into economic conditions, regulatory settings and the impact of infrastructure in a local context. Highly contextual data allows for a nuanced understanding of business performance and conditions. The Business PSI's geographic specificity allows for the comparison of business performance by region, across a city, within a state, and across states.

Importantly, the Business PSI is also a longitudinal instrument allowing the comparison of regional business performance over time. Time specific data allows for analysis of local policies, investments, and infrastructure developments. It also allows for analysis of the way state and national issues, such as economic conditions, might affect local geographies.

Deployment

The Business PSI is a tested and easy-to-deploy 21 question survey. It allows business chambers and local governments to survey business stakeholders at any point in time and compare the results to other locations or previous deployments.

The Business PSI also allows industry groups and peak bodies to calculate PSI scores for specific industries (e.g. hairdressers, real estate agents) or broader business categories (i.e. retailers, B2B service providers, etc.).

The resulting PSI includes quantitative measures of business performance while incorporating attitudes, sentiment, and forecasts. This unique result delivers a comprehensive measure of actual and attitudinal performance, incorporating recent performance and current forecasts.

Participants

The 2023 Toowoomba Business PSI is based on the experiences, attitudes and expectations of business owners and managers in the Toowoomba Regional Council. The survey received 329 started responses and 156 completed responses. This report represents completed responses from business owners and managers only. Responses were collected from 12th of April to the 31st of May 2023 and are representative of various business sizes, locations, and industries.

Indicator overview

The following tables outline the individual measures that form the conditions, performance, and sentiment components of the Business PSI.

Conditions

Measures	Indicators	Question example
Economic conditions	Local economic performance	How would you say the local economy is performing now compared to 12 months ago?
	Australia's economic performance	How would you say the Australian economy is performing now compared to 12 months ago?
Regulatory settings	Red tape and regulation requirements	How do the time and cost requirements related to compliance, legislation and regulations in your sector compare to 12 months ago?^
	Supportive government policy settings	How do government policy settings that support small businesses and assist your sector compare to 12 months ago?
Infrastructure and locale	Local infrastructure provision	How does the provision and performance of public transport, traffic and roads, parking availability and telecommunications compare to 12 months ago?
	Business expansion or reduction	Has there been any change (either expansion or reduction) in your office use, fit-out, number of locations, and/or commercial space in the last 12 months?
	Infrastructure and locale outlook	How will the provision and performance of public transport, traffic and roads, parking availability and telecommunications compare in 12 months' time?

Performance

Measures	Indicators	Question example
Earnings	Sales and revenue	How does your overall sales revenue compare to 12 months ago?
	Pre-tax profit	How does your operating and pre-tax profit compare to 12 months ago?
	Business cash flow	How does your business cash flow compare to 12 months ago?
Expenses	Business costs	How do your business costs compare to 12 months ago?
	Capital investments and expenses	How do your capital investments compare to 12 months ago?
Employment	Staffing levels	How do your staffing levels (both numbers and hours) compare to 12 months ago?
	Staff wages and on-costs	How do your staff wages and on-costs compare to 12 months ago?^

Sentiment

Measures	Indicators	Question example
Economic outlook	National economic outlook	How do you think the Australian economy will be performing in 12 months' time compared to today?
	Internal revenue outlook	How do you think your overall revenue will compare in 12 months' time to today?
Cost forecast	Expense forecast	How do you think your business expenses (input, staffing, materials, sales) will compare in 12 months' time to today?^
	Staffing level forecast	How do you think your staffing levels (both numbers and hours) will compare in 12 months' time to today?
Growth forecast	Profit forecast	How do you think your operating pre-tax profit will be in 12 months' time compared to today?
	Cash flow forecast	How do you think your business cash flow will be in 12 months' time compared to today?
	Expansion forecast	Do you foresee any change (either expansion or reduction) in your office use, fit-out, number of locations, and/or commercial space in the next 12 months?

^The results of these questions are inverted within the PSI. For example, an increase in the time and cost requirements related to compliance, legislation and regulations would impede business growth rather than advance performance.

Results

The 2023 Toowoomba Business PSI is a score of -27. This indicates falling business conditions, performance, and sentiment across the Toowoomba business community.

The falling economic conditions (-39) and business performance (-26) is driven by rising business costs and the negatively trending national economy.

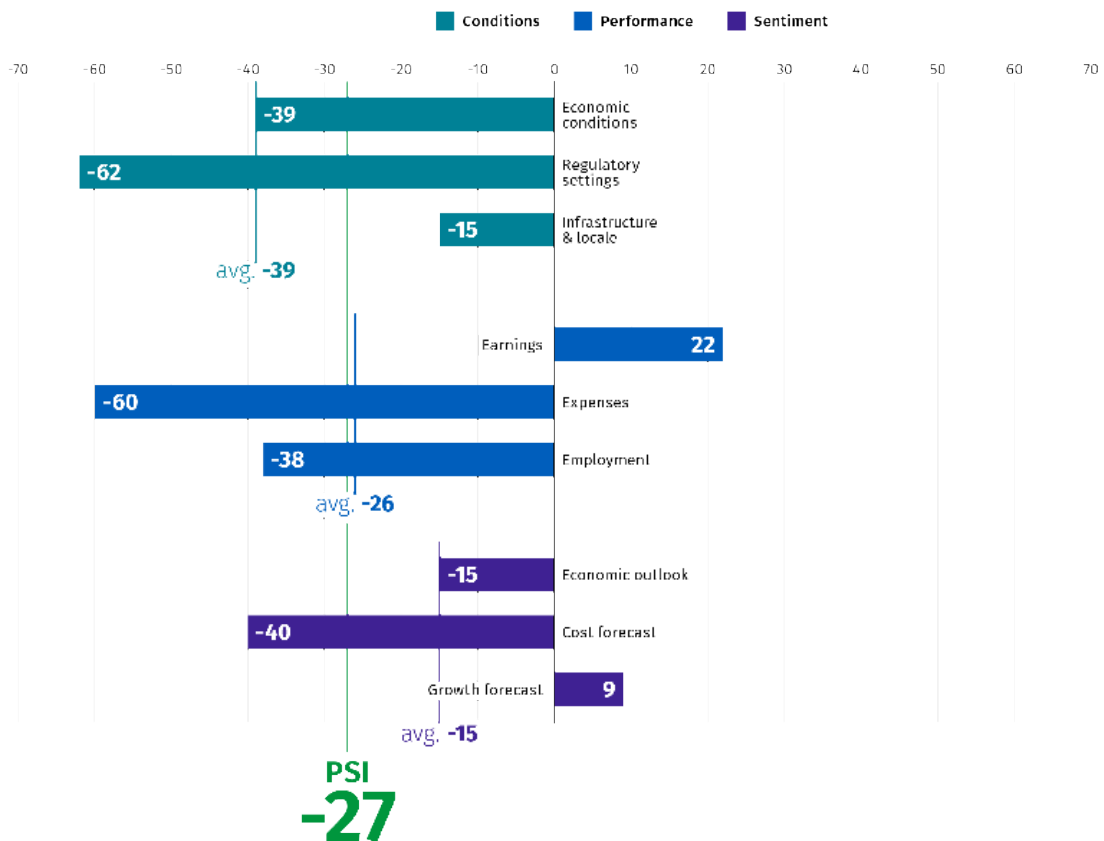
Compared to 2022 which saw the national and local economy perform ahead of expectation during the recovery from the impacts of COVID-19, economic conditions are falling. Regulatory settings remain a challenge. Similar to the results of 2022, infrastructure and locale are perceived to be slowing the conditions of business operation.

Business performance has been mixed over the past year. Earnings are improving but at a slower rate compared to 2022. Higher cost of living and

increasing interest rates are tightening consumer and business spend. Expenses are affecting business performance. Wages and on-costs are rising as a result of the tight labour market, leading to the overall falling performance.

Sentiment of business owners and managers is a slowing score of -15, reversing the 2022 sentiment score of 14. Business expense is expected to worsen over the next 12 months, in line with the expectations of 2022. The 2023 growth forecasts and economic outlook, however, are less optimistic than that of 2022.

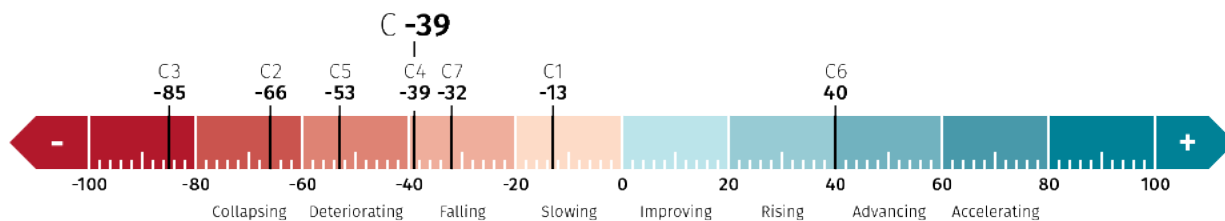
Despite the negative results, Toowoomba remains a positive and resilient community, with future sentiment lifting the negatively trending conditions and business performance amidst a global economic slowdown.



2022 to 2023

Measure	2022	2023
Condition	0	-39
Performance	0	-26
Sentiment	14	-15
PSI	5	-27

Conditions



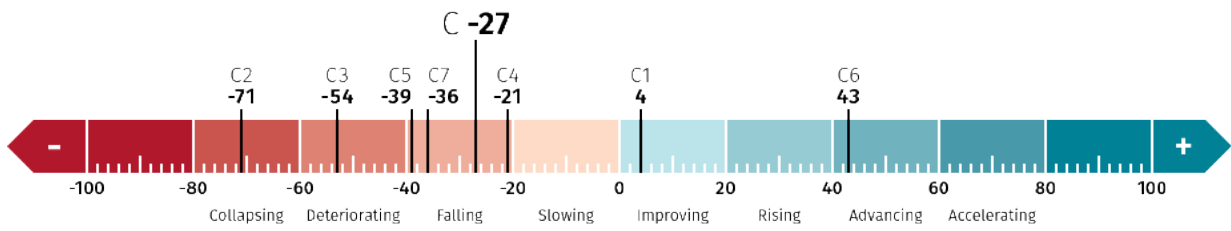
Without the momentum of Australia’s post-COVID recovery and economic performance, the operating conditions of Toowoomba’s business community has fallen from the overall neutral environment to -39.

The global economic slowdown as a result of stress factors in the financial sector with rising interest rates and restrictive lending conditions has understandably impacted the Australian and local Toowoomba economy. Consumer and business spend are down with the rising cost of living and business operation. Outlook of the business community is that the national and local economy is worse now than 12 months ago, reversing the effect of a strong post-pandemic recovery.

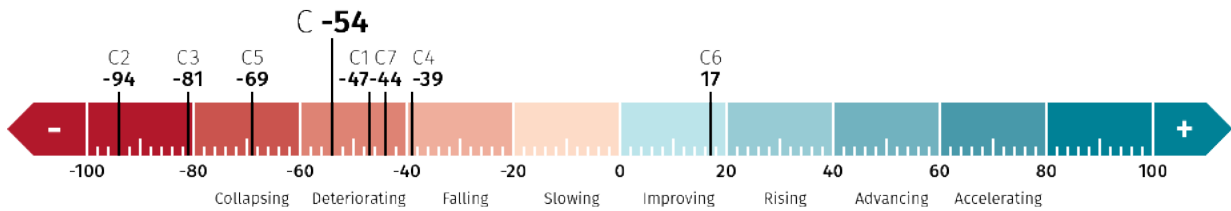
Despite the impact of external economic conditions, the sentiment of the business community in Toowoomba remains clear that red tape and regulations is the biggest factor negatively affecting operating conditions. Time and financial cost to fulfill compliance requirements are continuing to take a toll on the business community, particularly for small and medium enterprises. Current provision of infrastructure also remains an important issue that is seen to be deteriorating, particularly in relation to roads, transport infrastructure, and parking. Future outlook on infrastructure provision, however, trends less negatively than current provision.

Measure	Key	Indicator	2022	2023
Economic conditions	C1	Local economic performance	79	-13
	C2	Australia’s economic performance	67	-66
Regulatory settings	C3	Red tape and regulation requirements	-103	-85
	C4	Supportive government policy settings	-20	-39
Infrastructure and locale	C5	Local infrastructure provision	-50	-53
	C6	Business expansion or reduction	47	40
	C7	Infrastructure and locale outlook	-30	-32
Total score			0	-39

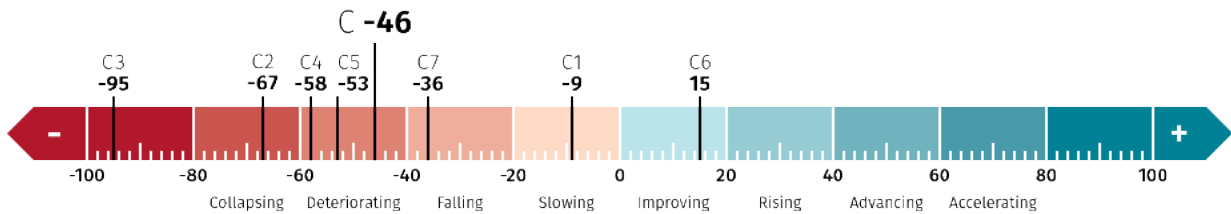
Sole traders (no employees) (n=28)



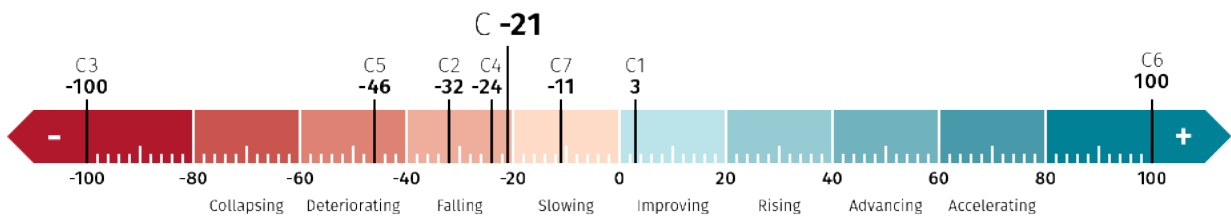
Micro (one to four employees) (n=36)



Small (five to 19 employees) (n=55)

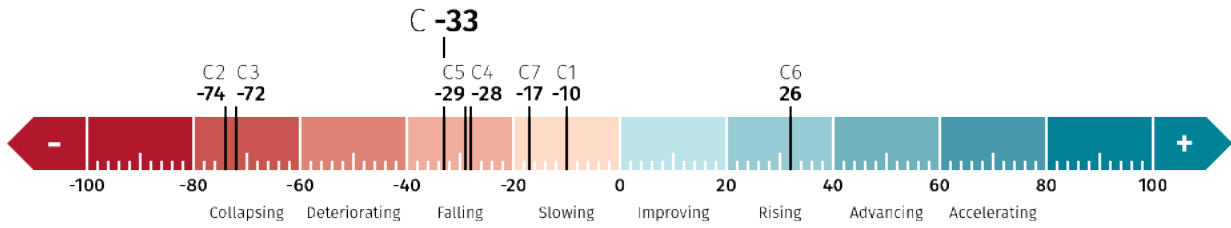


Medium+ (20+ employees) (n=37)

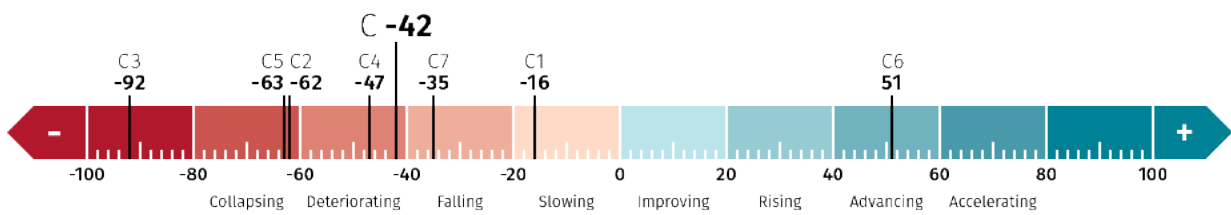


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Economic conditions	C1	Local economic performance	4	-47	-9	3
	C2	Australia's economic performance	-71	-94	-67	-32
Regulatory settings	C3	Red tape and regulation requirements	-54	-81	-95	-100
	C4	Supportive government policy settings	-21	-39	-58	-24
Infrastructure and locale	C5	Local infrastructure provision	-39	-69	-53	-46
	C6	Business expansion or reduction	43	17	15	100
	C7	Infrastructure and locale outlook	-36	-44	-36	-11
Total score			-27	-54	-46	-21

B2B (n=58)

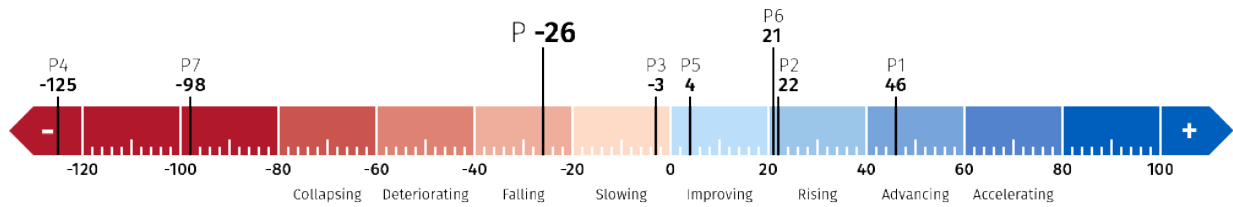


B2C (n=91)



Measure	Key	Indicator	B2B	B2C
Economic conditions	C1	Local economic performance	-10	-16
	C2	Australia's economic performance	-74	-62
Regulatory settings	C3	Red tape and regulation requirements	-72	-92
	C4	Supportive government policy settings	-28	-47
Infrastructure and locale	C5	Local infrastructure provision	-29	-63
	C6	Business expansion or reduction	26	51
	C7	Infrastructure and locale outlook	-17	-35
Total score			-18	-42

Performance



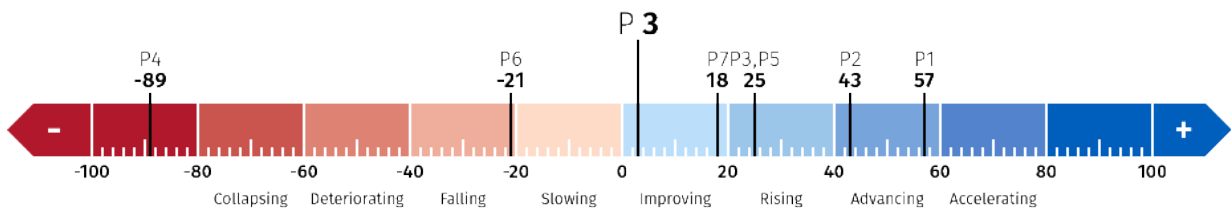
Tight labour market in Toowoomba and beyond is driving up staff costs. Business expenses are also rising with the rising cost of utilities and infrastructure. Revenue and profit, however, has improved only moderately with consumers and businesses actively conserving capital, leading to the business cash flow indicator dipping into the negative in 2023.

Under difficult-to-tame inflationary conditions and tightened consumer spending, lift in business revenue and the controlled deceleration of business and staff costs will bring business performance back to a trend of sustainable long-term growth in Toowoomba. The growing population should also provide optimism for Toowoomba’s future economic growth.

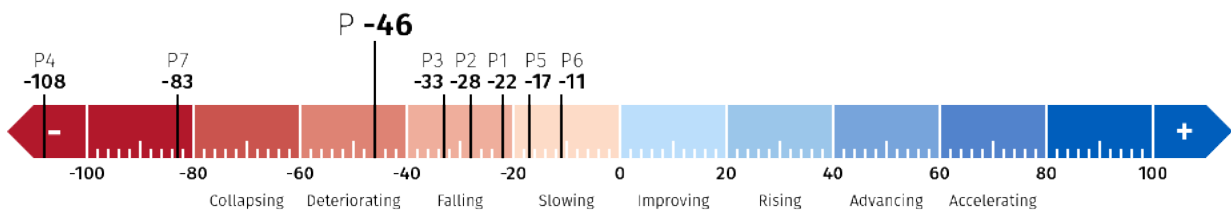
The combination of the above and the easing of staffing level and capital investment commitments by businesses in Toowoomba, which is intrinsically linked, summate to a falling business performance score of -26.

Measure	Key	Indicator	2022	2023
Earnings	P1	Sales and revenue	99	46
	P2	Pre-tax profit	69	22
	P3	Business cash flow	52	-3
Expenses	P4	Business costs	-119	-125
	P5	Capital investments and expenses	17	4
Employment	P6	Staffing levels	47	21
	P7	Staff wages and on-costs	-90	-98
Total score			0	-26

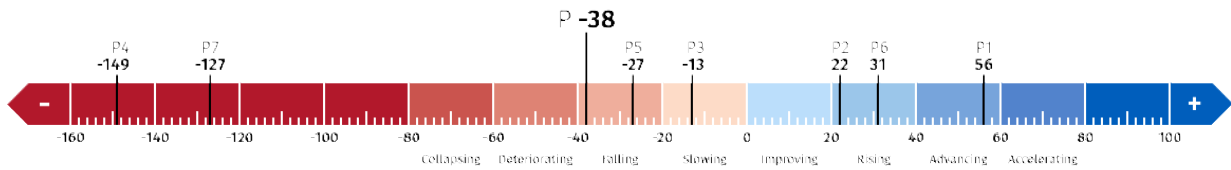
Sole traders (no employees)



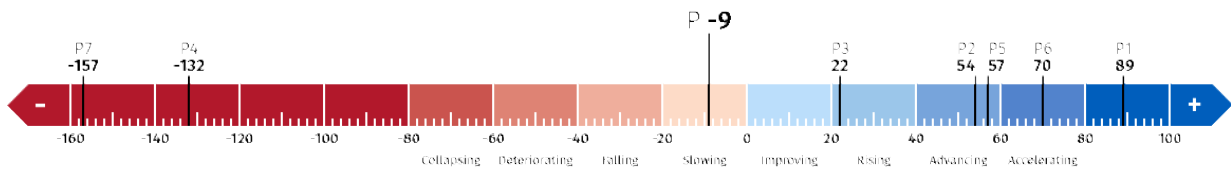
Micro (one to four employees)



Small (five to 19 employees)

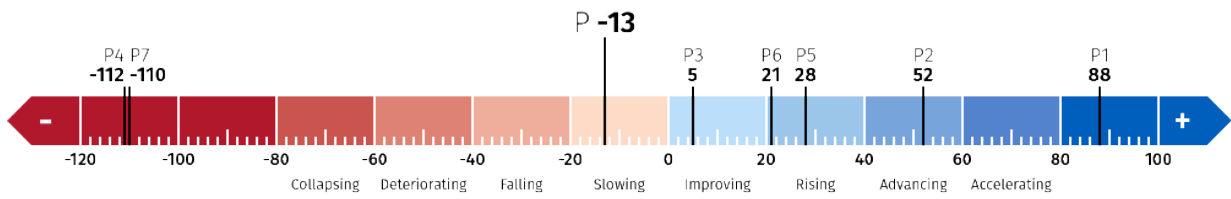


Medium+ (20+ employees)

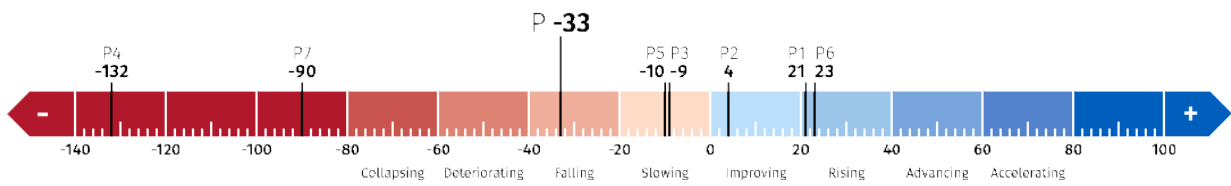


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Earnings	P1	Sales and revenue	57	-22	56	89
	P2	Pre-tax profit	43	-28	22	54
	P3	Business cash flow	25	-33	-13	22
Expenses	P4	Business costs	-89	-108	-149	-132
	P5	Capital investments and expenses	25	-17	-27	57
Employment	P6	Staffing levels	-21	-11	31	70
	P7	Staff wages and on-costs	18	-83	-127	-157
Total score			3	-46	-38	-9

B2B

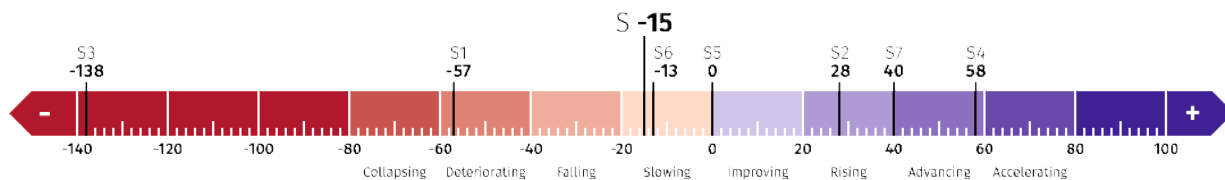


B2C



Measure	Key	Indicator	B2B	B2C
Earnings	P1	Sales and revenue	88	21
	P2	Pre-tax profit	52	4
	P3	Business cash flow	5	-9
Expenses	P4	Business costs	-112	-132
	P5	Capital investments and expenses	28	-10
Employment	P6	Staffing levels	21	23
	P7	Staff wages and on-costs	-110	-90
Total score			-13	-33

Sentiment



Despite the restrictive monetary policy and lending conditions, inflation pressures remain high, which is widely anticipated by the business community. Toowoomba’s business owners and managers expect business expenses will increase in the next 12 months. The community also expects business operation will be constrained by a deteriorating national economy.

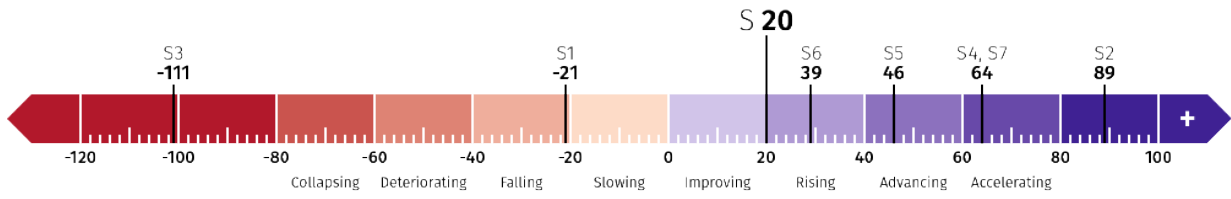
With these two sentiment indicators strongly affecting the overall outlook of business owners and managers, the sentiment score of the

Toowoomba business community is -15. This walks back the 2022 sentiment of the community which was an improving forecast, when business leaders were expecting profit and revenue would be rising, building on the momentum of post-COVID economic recovery.

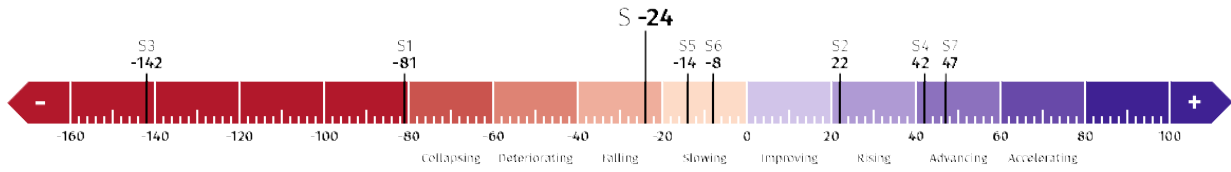
In 2023, future increases in internal revenue, staffing level, profit, and expansion are all expected to be more moderate than in 2022, limiting business growth to protect against the likelihood of economic downturn.

Measure	Key	Indicator	2022	2023
Economic outlook	S1	National economic outlook	-5	-57
	S2	Internal revenue outlook	75	28
Cost forecast	S3	Expense forecast	-147	-138
	S4	Staffing level forecast	73	58
Growth forecast	S5	Profit forecast	42	0
	S6	Cash flow forecast	36	-13
	S7	Expansion forecast	53	40
Total score			14	-15

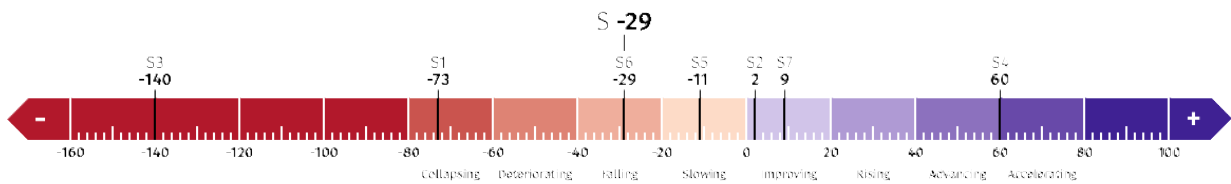
Sole trader (no employees)



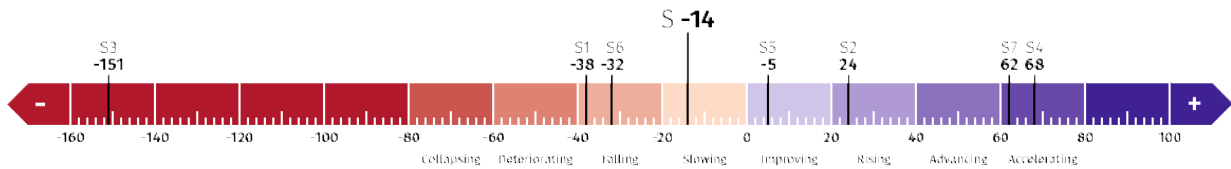
Micro (one to four employees)



Small (five to 19 employees)

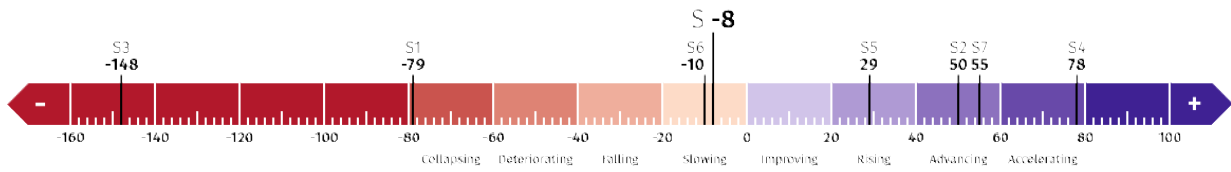


Medium+ (20+ employees)

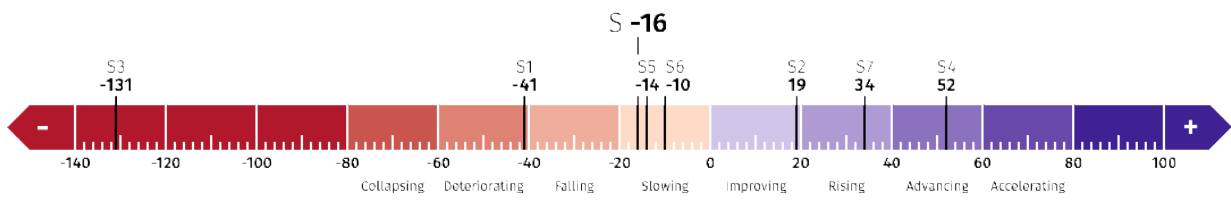


Measure	Key	Indicator	Sole trader	Micro	Small	Medium+
Economic outlook	S1	National economic outlook	-21	-81	-73	-38
	S2	Internal revenue outlook	89	22	2	24
Cost forecast	S3	Expense forecast	-111	-142	-140	-151
	S4	Staffing level forecast	64	42	60	68
Growth forecast	S5	Profit forecast	46	-14	-11	-5
	S6	Cash flow forecast	39	-8	-29	-32
	S7	Expansion forecast	64	47	9	62
Total score			20	-24	-29	-14

B2B



B2C



Measure	Key	Indicator	B2B	B2C
Economic outlook	S1	National economic outlook	-79	-41
	S2	Internal revenue outlook	50	19
Cost forecast	S3	Expense forecast	-148	-131
	S4	Staffing level forecast	78	52
Growth forecast	S5	Profit forecast	29	-14
	S6	Cash flow forecast	-10	-10
	S7	Expansion forecast	55	34
Total score			-8	-16

Further insights

Net Promoter Score

The Net Promoter Score (NPS), developed by Bain & Company, is based on the perspective that every stakeholder can be divided into three categories: Promoters, Passives, and Detractors.

An organisation's NPS score can range anywhere between -100 and 100. A score above 0 is considered a good score, with organisations often receiving a negative result.

Supporters respond on a 0-to-10-point rating scale and are categorised as follows:

- Promoters (score 9-10) are loyal enthusiasts who will keep engaging and will refer others, fuelling growth.
- Passives (score 7-8) are satisfied but unenthusiastic stakeholders who are vulnerable to competitive offerings.
- Detractors (score 0-6) are unhappy stakeholders who can damage your brand and impede growth through negative word-of-mouth.

NPS score of 18

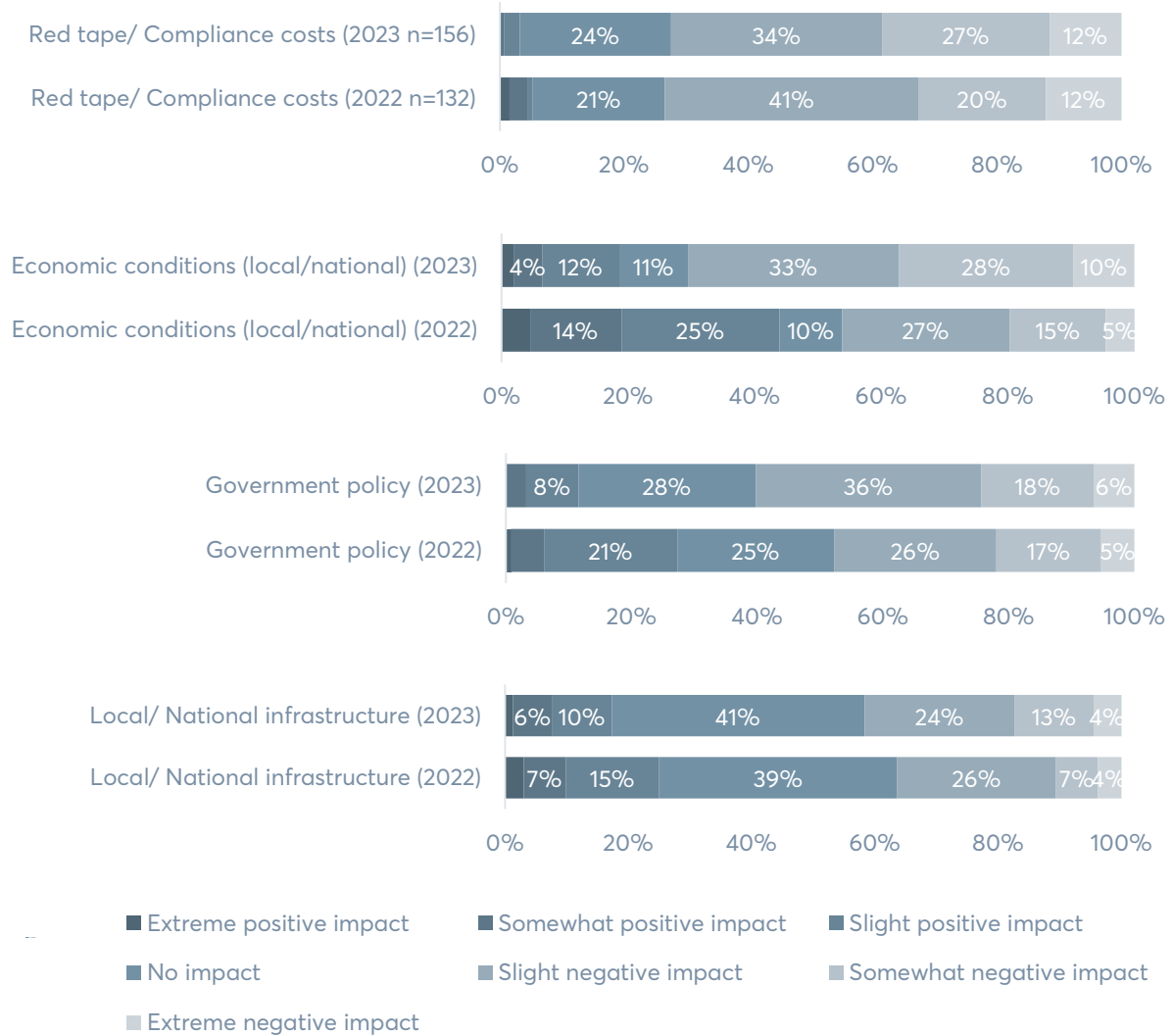
In 2023, Toowoomba Chamber of Commerce has an NPS of 18, indicating that business owners and managers are likely to recommend membership with the Toowoomba Chamber of Commerce. Two in five business owners and managers of the Toowoomba Chamber of Commerce (40%) are promoters of doing business in the Chamber, a very positive assessment.



n=111 as this question is only applicable to Toowoomba Chamber of Commerce members.

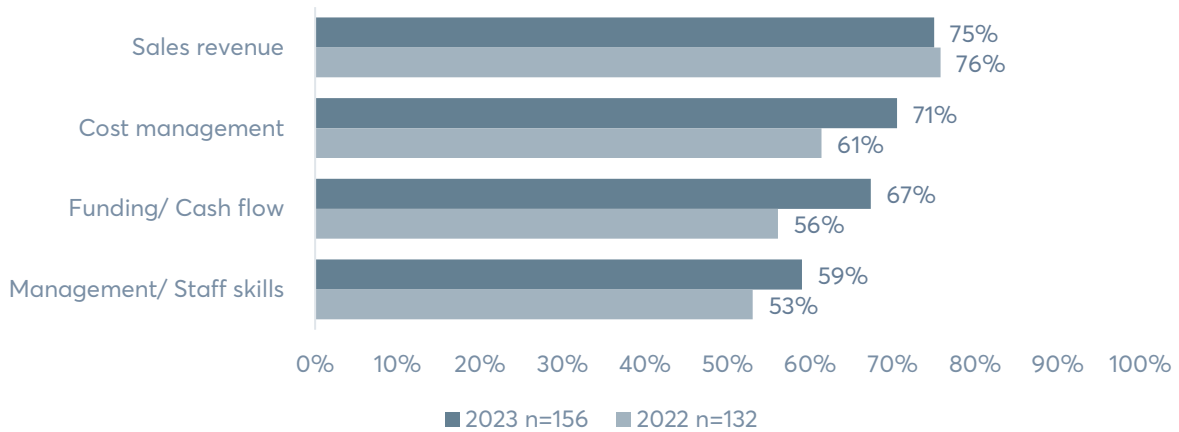
Issues on business performance

At the moment, do the following issues have a positive or negative impact on your business performance?



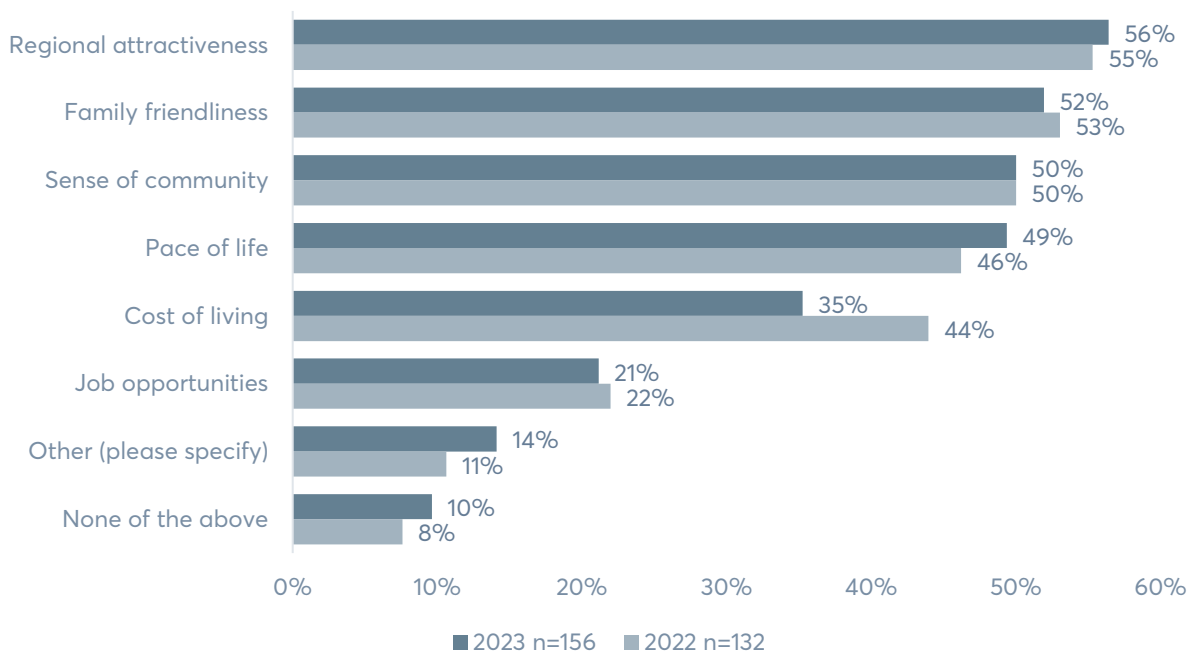
Business priorities

Thinking ahead to the next 6 months, how much are the following areas a priority for you to address?
Extreme/significant priority



Regional attractiveness

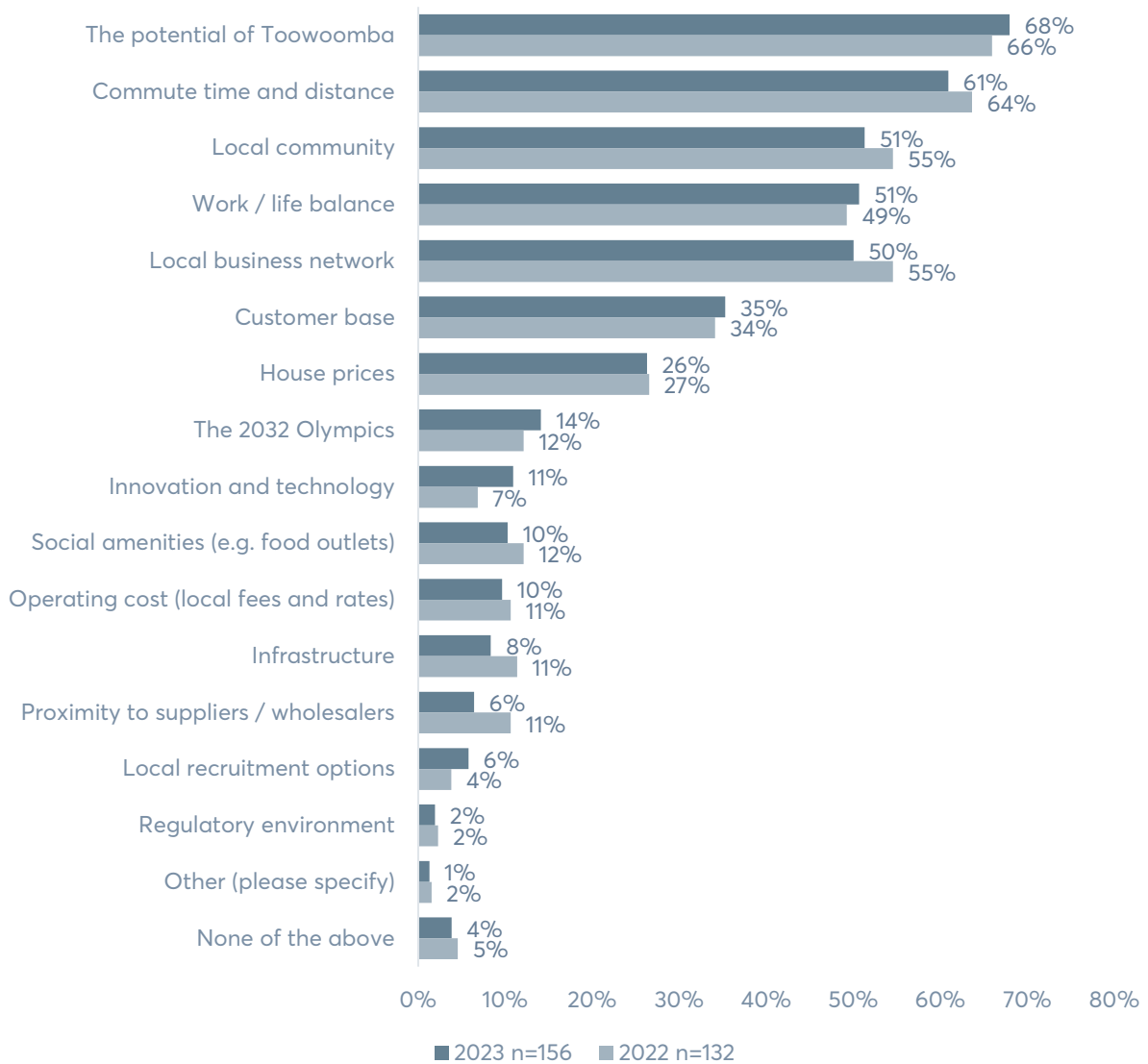
Which of the following are reasons you call Toowoomba Regional Council Local Government home?
Please select all that apply.



Current and future strength

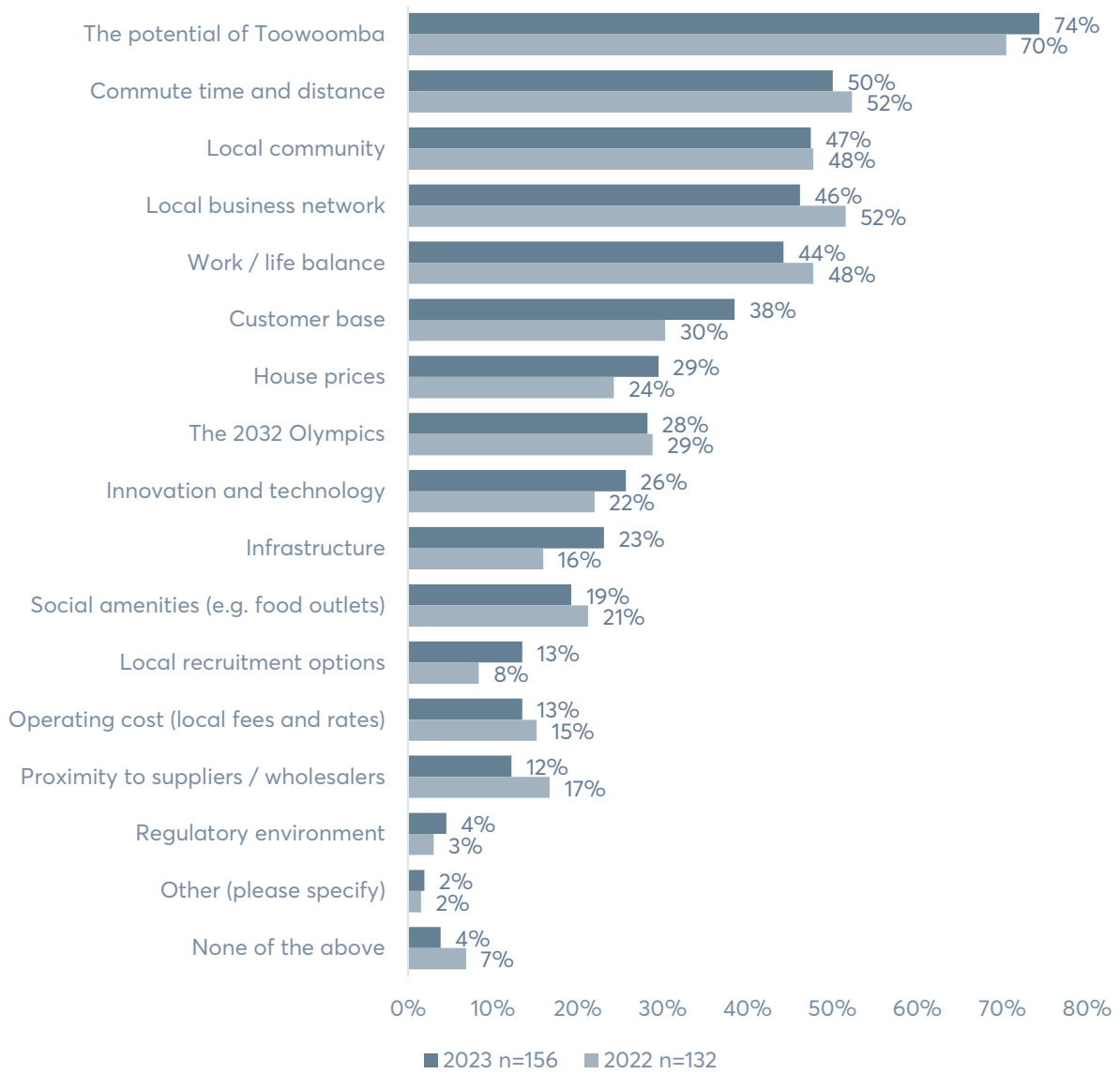
What are the current strengths of doing business in Toowoomba Regional Council Local Government Boundaries?

Please select all that apply.



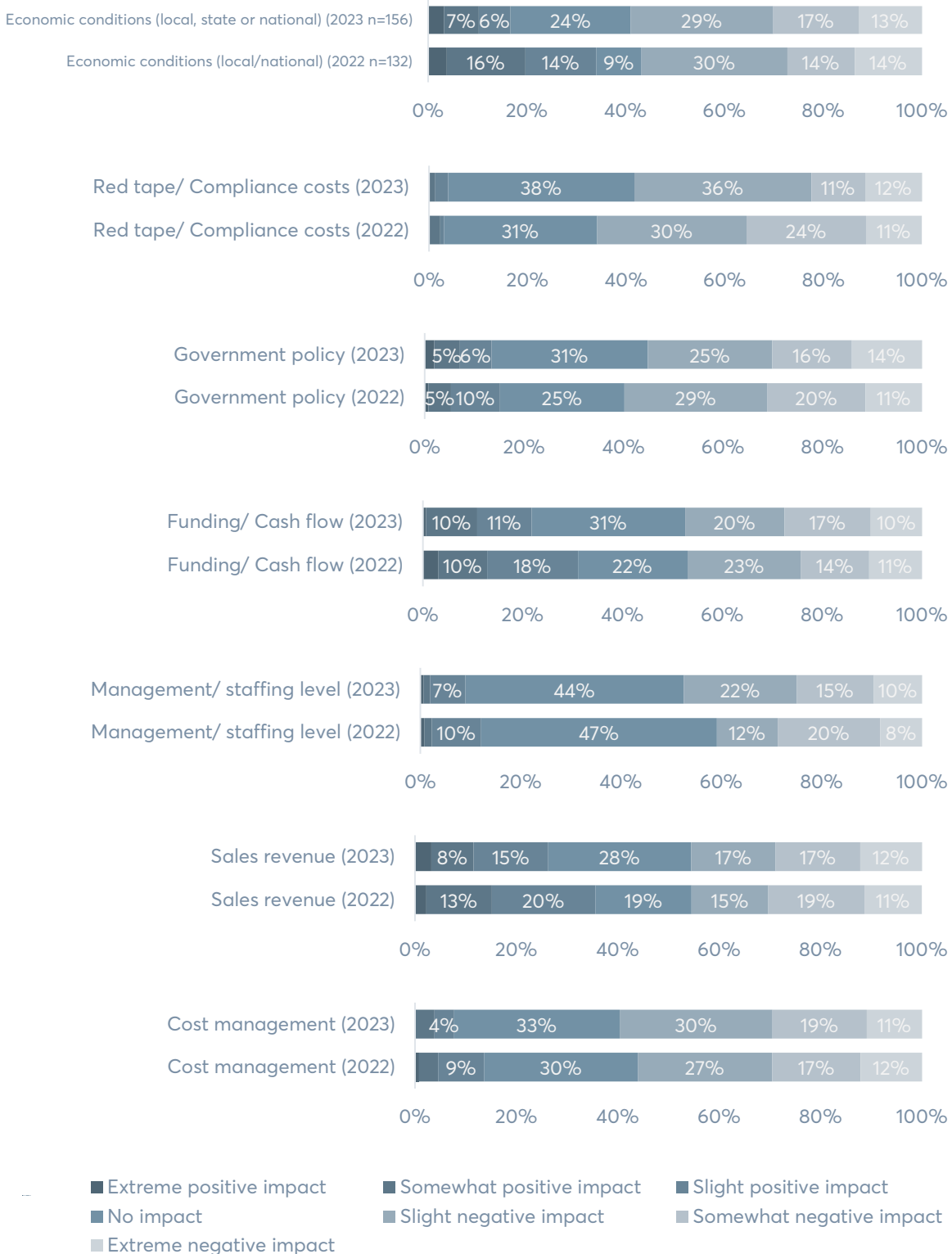
What do you see as the future strengths of doing business in Toowoomba Regional Council Local Government Boundaries?

Please select all that apply.



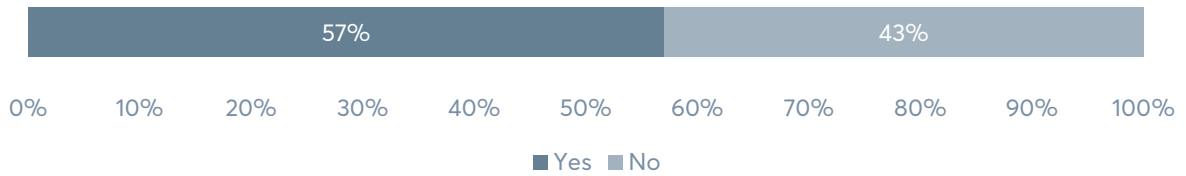
Impact of COVID-19

When thinking about the impact of COVID-19 and related restrictions, to what extent have the following impacted your business?



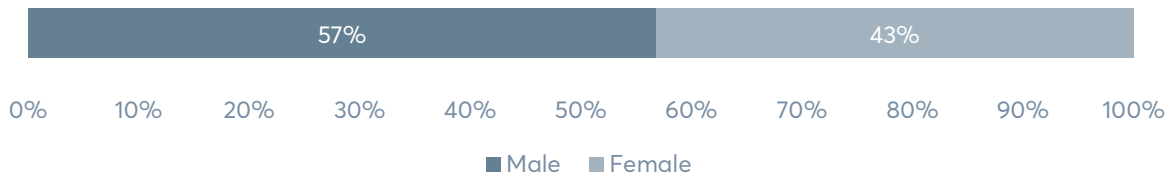
Local support

In the last twelve months have you (or your business) utilised any resources or received support provided by the Toowoomba Chamber of Commerce, such as online business information, business visit programs, business workshops or events?

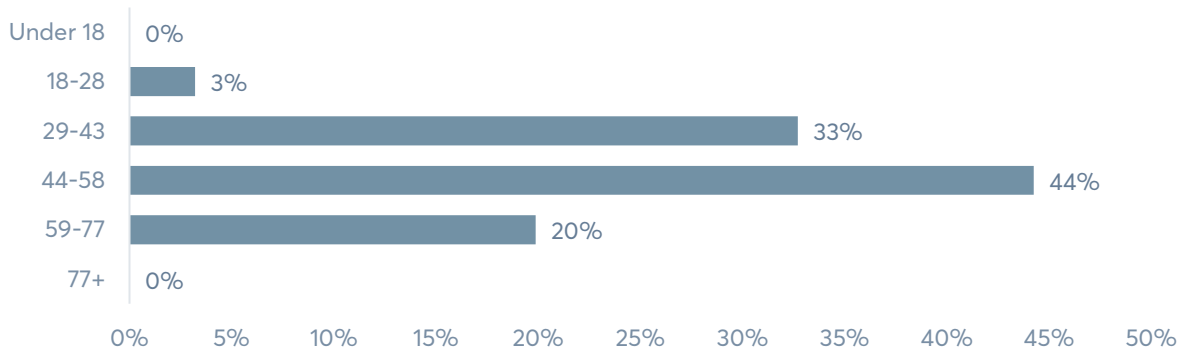


Respondent characteristics

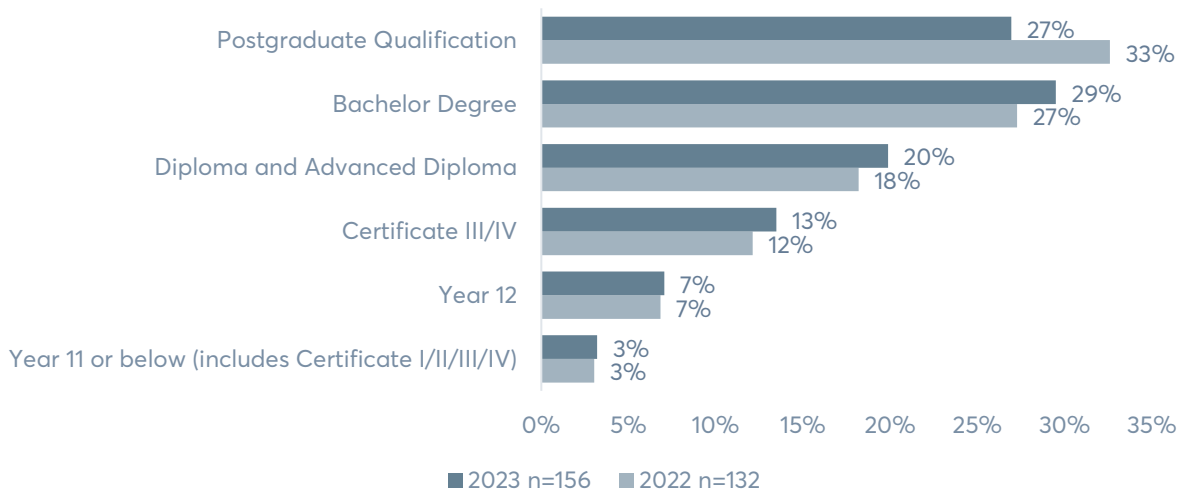
What is your gender?



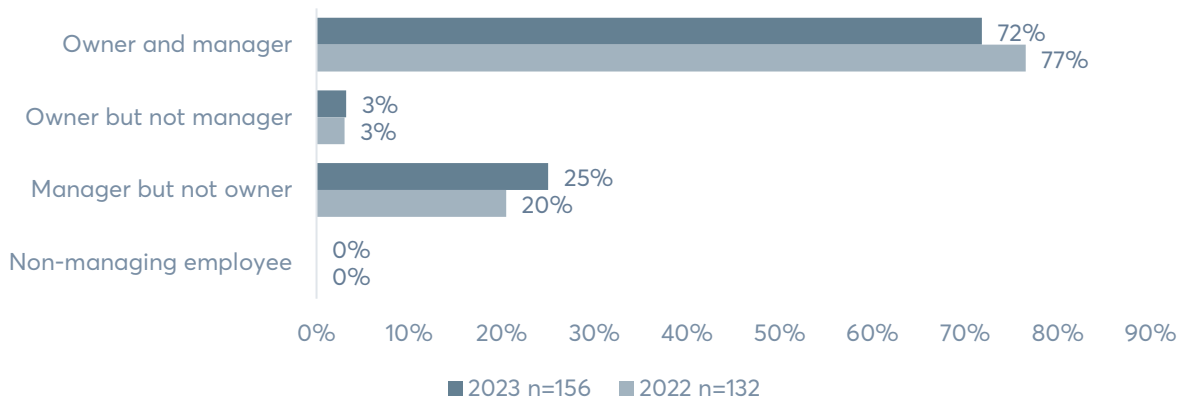
What age will you turn in 2023?



What is your highest level of completed education?

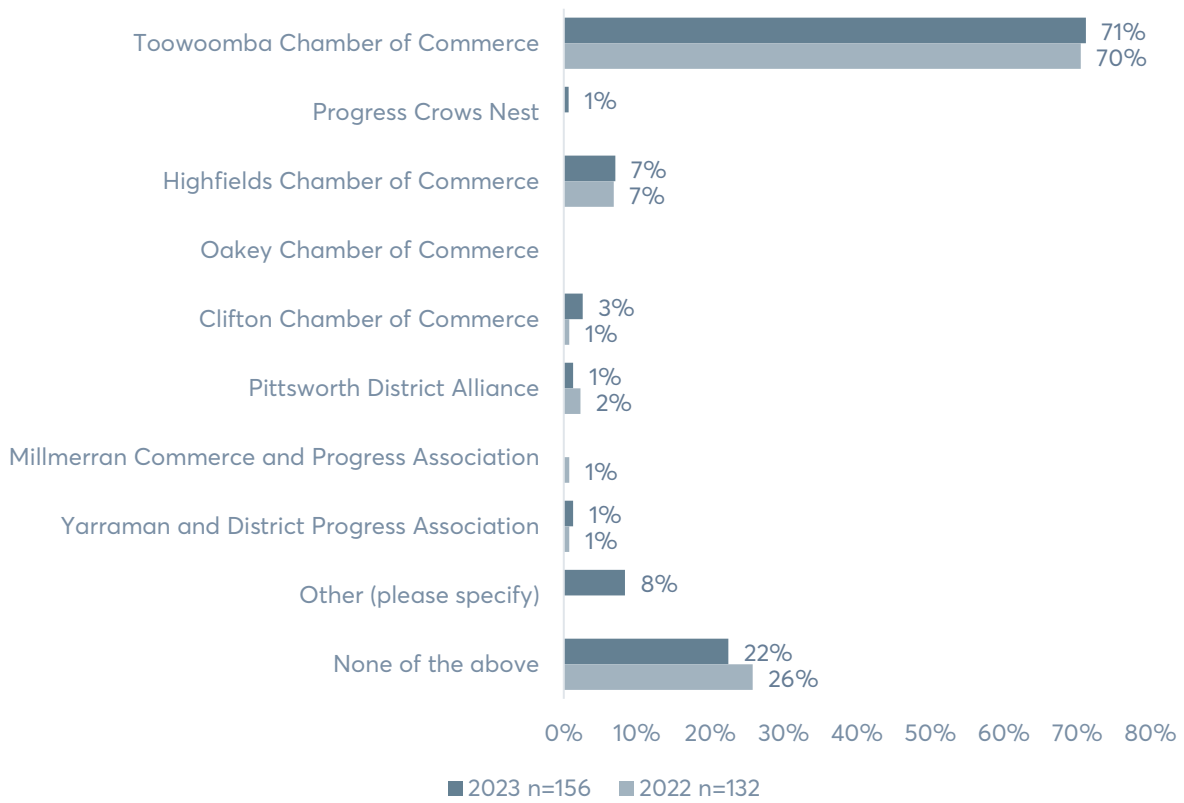


What is your current role within your business?



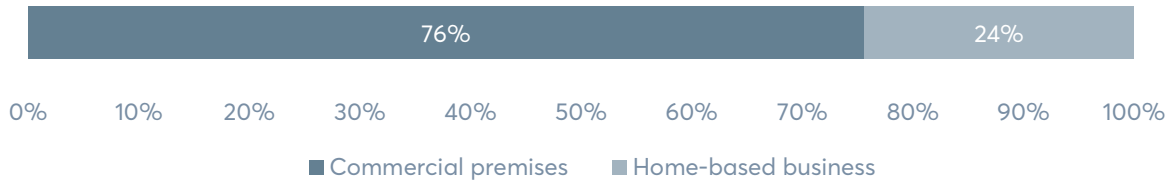
Are you a member of any of the following chambers/associations?

Please select all that apply.

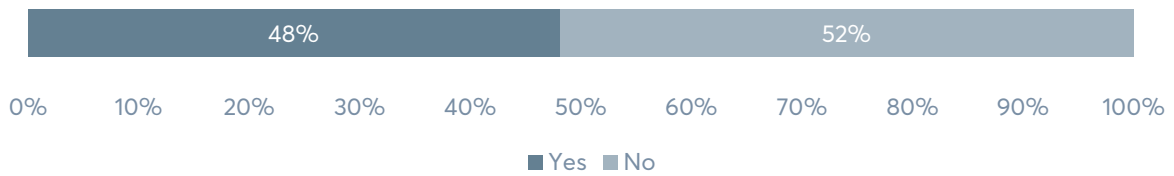


Are you operating out of commercial premises or a home based business?

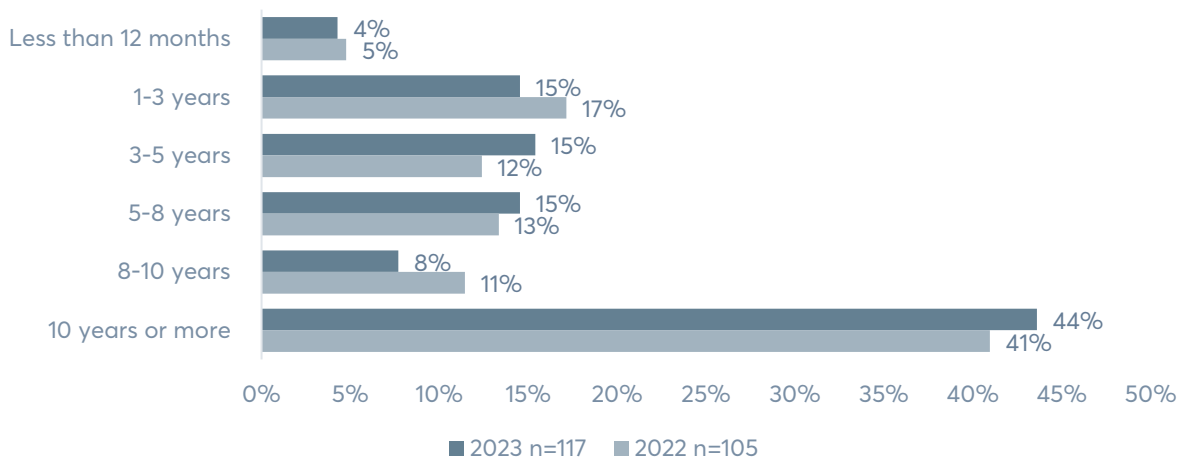
Please select the one that best describes the location of your business.



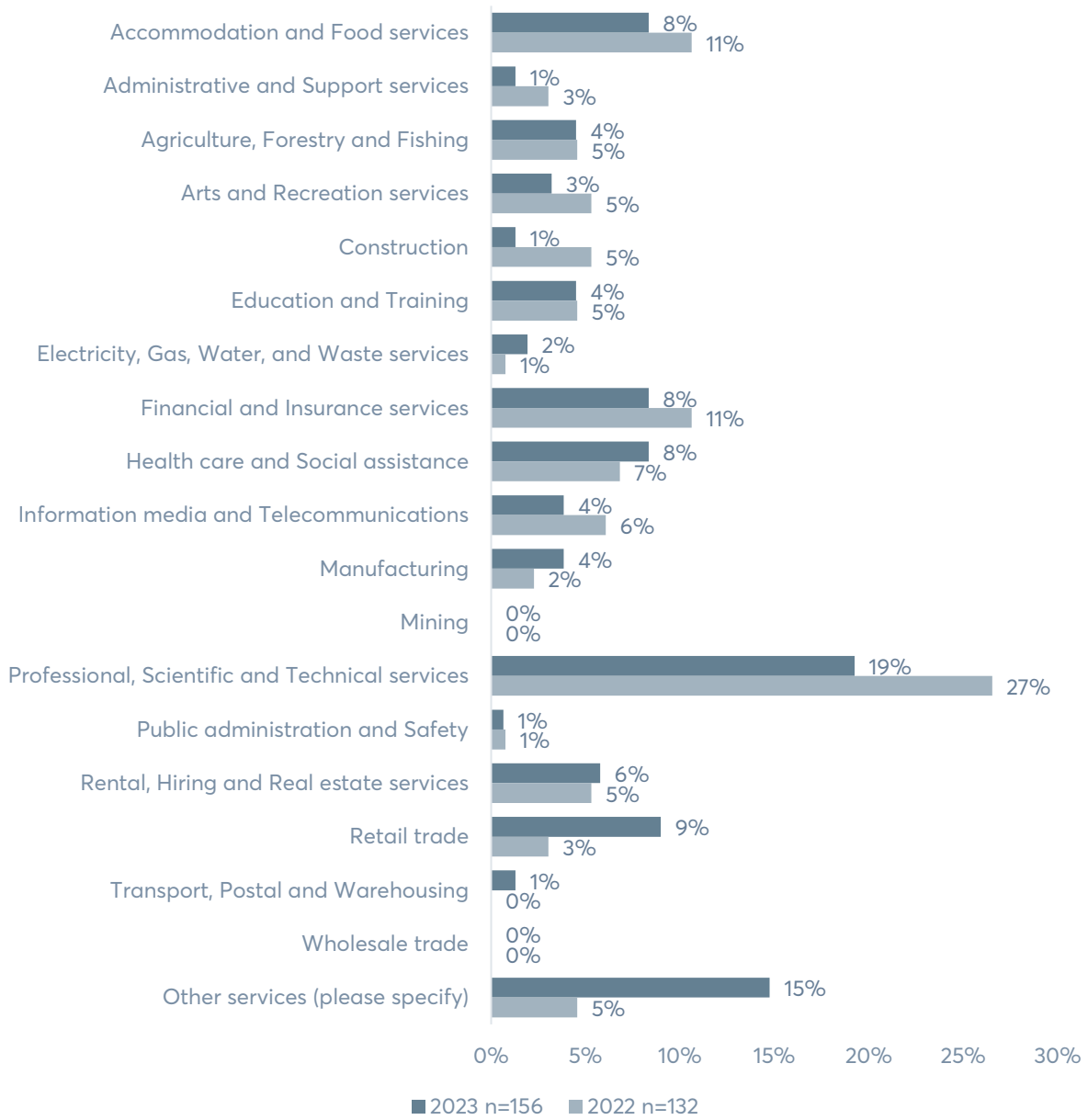
Have you ever owned a business prior to the business that you now own or manage?



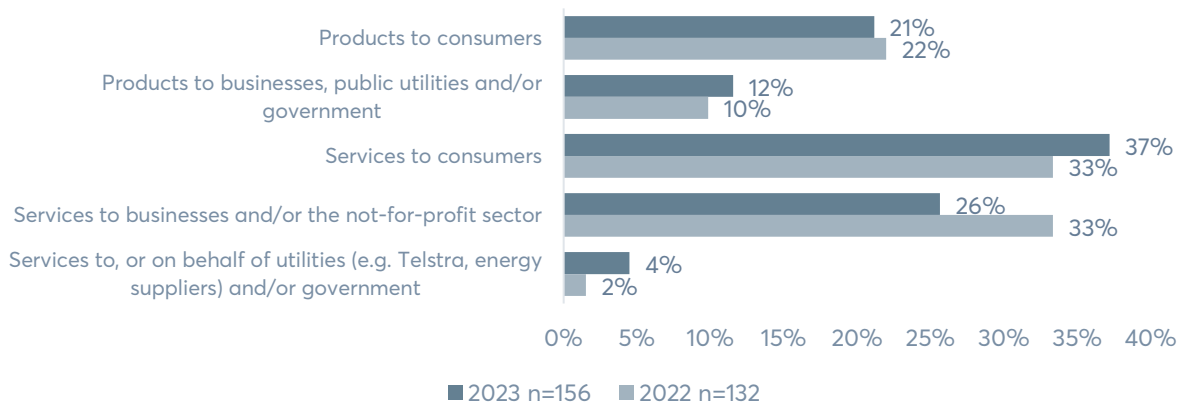
For how long have you been a business owner?



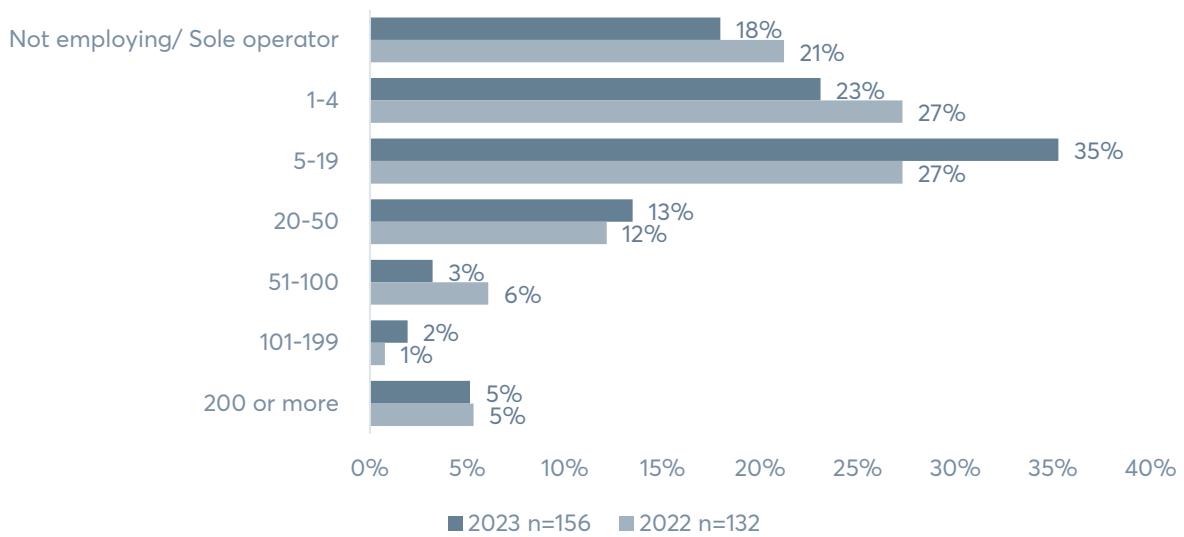
What industry sector do you operate in?



What does your business supply?



How many people does your business employ? Please convert the work of any contractors into Full-Time Equivalent employees.



Conducting your own PSI

The Business PSI can be conducted by any organisation, local government, or business chamber through partnership with McCrindle. The instrument is designed to be deployed every 12 months through a survey to business owners and managers for longitudinal tracking.

As the developers and deployment partners of the Business PSI, McCrindle can not only efficiently deploy, analyse, and visualise this survey for organisations, but act as a clearinghouse of the longitudinal data and so can provide benchmarking of industry or local results against other areas or sectors, as well as provide longitudinal comparison.

Partnership with McCrindle in deploying the Business PSI includes use of the Business PSI instrument, the raw data and output, a report of results, and assistance with commercial insights from the results.

Contact

For information on conducting your own PSI, contact McCrindle at info@mccrindle.com or call (02) 8824 3422.

For information and implications specific to the 2023 Toowoomba Business PSI, contact the Toowoomba Chamber of Commerce at admin@toowoombachamber.com.au or call (07) 4638 0400.

Get in touch.

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