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## **CONFIDENCE RETURNING BUT CAUTION REMAINS**

Confidence is returning to the NSW economy, but concerns remain over the costs of doing business, according to the latest quarterly **Business Conditions Survey** from the state's peak business organisation, **Business NSW**.

The [survey](#), conducted during April and early May, shows businesses no longer feel in the 'crisis mode' that gripped the economy during the Omicron scourge of January.

"The NSW Government should be commended for taking swift action to deploy business support measures during Omicron, and it's now pleasing to see that confidence is returning following the depths of the January despair," said **Business NSW** Chief Executive Daniel Hunter.

"While confidence is still classified as being in negative territory, there has been a huge uplift this quarter, with the threat of lockdowns behind us," Mr Hunter said.

"There always tends to be some uncertainty for business around election time, with a number of business owners likely to be holding off on key decisions until after the result of the Federal poll is known.

"There was a particular focus on this survey on operating costs – with 97% of business owners saying they'd had to make changes to their business due to rising costs.

"The most common ways to deal with the pressures of rising costs have been to reduce profit margin and to raise prices.

"More than half of the business owners surveyed said that wages were their biggest expense.

"Central to the concerns over the costs of doing business are costs associated with insurance, with almost 80% of businesses reporting a rise in the cost of insurance in the past year, with a quarter of those surveyed revealing those increases were more than 10%.

"Regional NSW also saw an uptick in confidence, with the Murray-Riverina, Hunter and Illawarra all showing huge improvements," Mr Hunter said.

### **About Business NSW**

Formerly the NSW Business Chamber, **Business NSW** is the peak policy and advocacy body which has been representing businesses in NSW since 1826.

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