

**24 November 2009**

### **YOUNG AUSSIE BUSINESS KEY TO RECOVERY: MYOB SURVEY**

Young Australian business owners are the key to the country's economic recovery, running businesses that are performing better, with more work in the pipeline and with a greater likelihood of hiring more staff over the next year, according to the latest MYOB Business Monitor.

The MYOB Business Monitor is a nationwide survey, representing the voice of Australian business owners through a sample of 1165 proprietors and directors of sole trading, micro, small and medium sized businesses from across all industry groups.

According to the MYOB Business Monitor, business owners aged under 40, who represent about 30% of trading businesses in Australia, are the most optimistic about an improvement in the economy occurring within the next 12 months (63%). This is likely supported by their own level of performance, which the survey reveals to be the highest revenue growth over the last 12 months (29% report an increase in revenue) and the greatest level of confidence in improving business prospects (65% expect improvements in the next year).

MYOB CEO Tim Reed says it's extremely heartening to see young Australian business people performing so well, and while young business owners stand out, on a whole the Australian business community is holding its own.

"After facing one of the most significant economic crises in recent times, it's fantastic to see young Australian business owners emerging as a force in business and helping lead the way to economic recovery," explains Mr Reed. "The results of the MYOB Business Monitor emphasise what a dynamic and vibrant force Australia's small and medium business community is and what a bright future we have as a country."

The MYOB Business Monitor also signalled a general improvement in overall business confidence, with over half (58%) of Australia's business owners expecting the economy to improve within the next 12 months, compared to 45% reported in the July 2009 survey.

This renewed confidence is most pronounced in Western Australia, where 68% of business owners believe that the Australian economy will improve within 12 months, whereas only 55% of business owners believe this will be the case in New South Wales. Victorian business owners have bounced back from a low of 35% in July to 63% who expect improvement within 12 months.

"The survey results also underscore an expectation of improvement in fortunes for business owners," says Mr Reed. "While only 22% of business owners surveyed report revenue gains in the last 12 months, 46% expect to increase their business revenue over the next 12 months. This positive outlook reflects the upbeat nature of Australian business owners and their eagerness to move on from recent economic turmoil."

However, while there is a positive outlook, the survey also highlights that some businesses – and some sectors in particular – still face a struggle. While over a third (37%) of business owners report that their work or sales have increased, 29% say they have seen a reduction in activity. Only 30% of business

owners in the Agriculture, Forestry and Fishing industry and 30% of business owners in the Transport industry expect to see revenue gains in the next 12 months, compared to the overall total of 46% of business owners forecasting improvements.

In July 2009, owners of medium sized businesses were the most confident about their future prospects, with 64% indicating that they are quite or very confident about their business prospects in 2010. This confidence level has risen to 78% of medium sized business owners in the November 2009 survey, only 4% of whom now have any concern about their business prospects in 12 months' time.

"Some of this overall confidence in the economy and business performance may have buoyed support for the Federal Government and its support of and contribution to businesses," explains Mr Reed. "As business confidence has increased, the negativity towards the Federal Government's support for business in Australia has declined."

Dissatisfaction with the Federal Government's support for Australian businesses has decreased steadily over the last year, from 56% of business owners in September 2008 to 39% of business owners in July 2009 to 31% of business owners in November 2009. Business owner dissatisfaction with their State Government support has also declined over the last year, but at 43% remains greater than dissatisfaction with the Federal Government. Business owners in South Australia (53%) are most dissatisfied with their State Government support, followed by those in New South Wales (50%).

Support for the Federal Government may have also been boosted by the recent Business Tax Break, which over half (53%) of business owners surveyed say has been or could be helpful to their business. Businesses are embracing the opportunity to use the Tax Break, with 28% of business owners having already taken advantage of the initiative, and a further 18% planning to do so.

"Overall, this latest MYOB Business Monitor finds business improving across Australia, and a good deal more confidence than six months ago," says Mr Reed. "In particular, we are very pleased to see so many new businesses doing well, and the next generation of Australian business leaders leading the way to recovery."

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**Report for the latest MYOB Business Monitor:** <http://myob.com.au/BusinessMonitor/November09>

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**About the survey**

The MYOB Business Monitor is a nationwide survey representing the voice of Australian business owners, through a sample of 1165 proprietors and directors of sole trading, micro, small and medium sized businesses from across all industry groups. The MYOB Business Monitor is designed to research key areas of business performance, including profitability, cash flow and pipeline work, as well as business confidence and satisfaction in the support of Federal and State Government.

**About MYOB**

MYOB is a leading provider of business management solutions to more than a million businesses in Australia and New Zealand. MYOB helps businesses of all kinds and sizes, delivering software and services that simplify accounting, payroll, client management, websites, and much more. With a network of more than 25,000 accountants and other professional partners, MYOB provides the tools and support that help make business life easier. For more information visit the MYOB website at [www.myob.com.au](http://www.myob.com.au)