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Friday, 9 October 2015

Australian Roy Morgan Business Confidence boosted in September with change of PM but remains below average

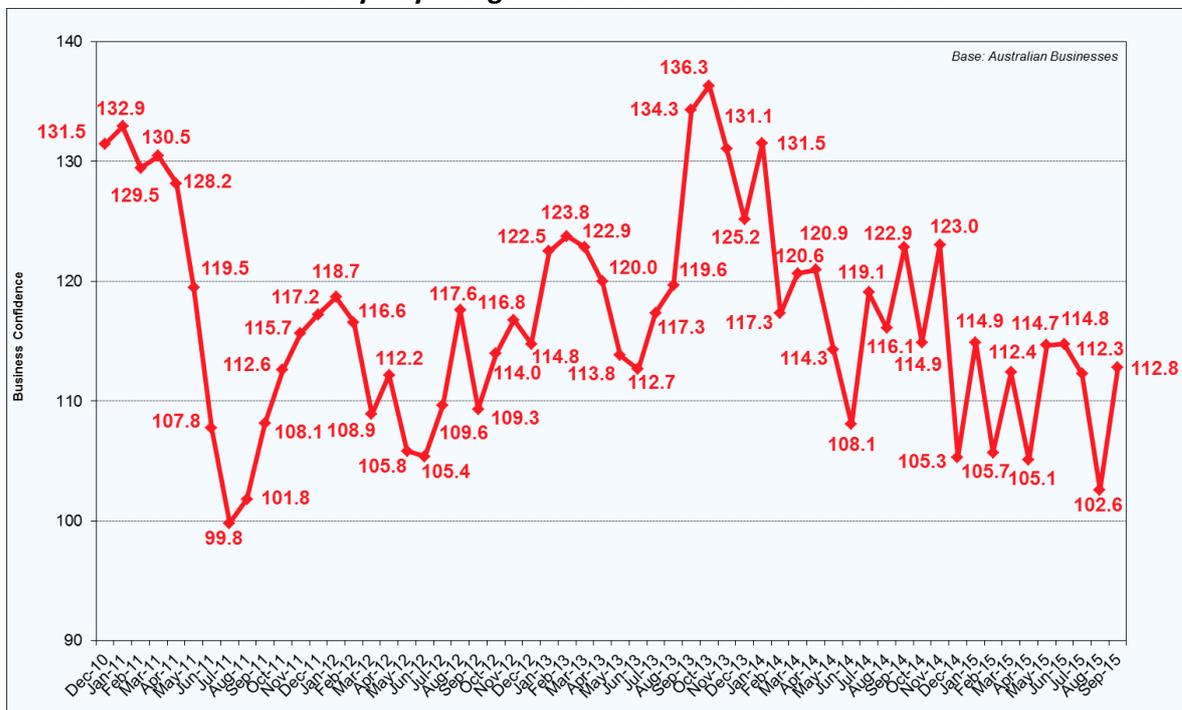
Roy Morgan Research's Business Confidence increased by 10.2 points in September (up 9.9%) to 112.8. This improvement in confidence for Australia's economic outlook was generally expected as a result of the change in Prime Minister and is clear when looking at the three weeks prior to Turnbull becoming PM (Roy Morgan Business Confidence was 104.2) compared to the three weeks immediately after Turnbull became PM (Roy Morgan Business Confidence was 115.5).

However in September Roy Morgan Business Confidence still remains below the five year average (116.8) and twelve months ago (122.9 in Sept 2014). These September figures are the result of 1,099 interviews with a cross-section of businesses across Australia.

The increase in Roy Morgan Business Confidence in September is good news providing it can be sustained. The ANZ-Roy Morgan Consumer Confidence rose 8.7% (to 114.7) immediately in the week after the change of PM but in the two weeks since that survey it has fallen back by 4.1% (to 110.0). This slide back is often difficult to avoid after the initial impact of a major change of leadership.

FOR IMMEDIATE RELEASE

Monthly Roy Morgan Business Confidence -- Australia



Source: Roy Morgan Business Single Source (Australia), December 2010 - September 2015.
Average monthly sample last 12 months, approx. 960.

The increase in Roy Morgan Business Confidence in September was as a result of improvements across all components of the index. The strongest gains were in how businesses felt about the economy over the next twelve months and five years and the encouragement this would give them to invest in their business.

Norman Morris, Industry Communications Director, Roy Morgan Research says:

“It is not surprising that Roy Morgan Business Confidence increased in September given the change of Prime Minister and the relative lack of bad economic news during the month. Despite fluctuations in the ASX during September it was down only 1.5% for the month.

“In the three weeks before Malcolm Turnbull was elected by the party-room as PM Roy Morgan Business Confidence was 104.2, and over the three weeks after it has averaged 115.5.

“There are some tentative signs that increased confidence in some sectors will help make up for the decline in mining. In September the greatest increase in confidence was seen in agriculture, manufacturing, retail and education/training. The all-important construction sector showed some improvement but remains around average in confidence.

“Roy Morgan Business Confidence varies by State, with Tasmania remaining ahead, followed by Qld, NSW, VIC, SA and WA.

“Recent Federal Government tax incentives for micro businesses to invest may be paying off as they are now the most confident sector, following their big improvement in September. Of some concern however is the decline in confidence during the month among medium and large businesses.

“The challenge for the Federal Government now is not only to maintain the current level of confidence but to increase as it is still below the five year average and 17.2% below what it was after the government came to power.”

For comments or more information please contact:

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Related research findings

[Click here](#) to purchase the **Business Confidence – Monthly Detailed Report** in Australia.

[Click here](#) to purchase the **Consumer Confidence – Monthly Detailed Report** in Australia.

[Click here](#) to purchase the **Consumer Banking Satisfaction Monthly Report** in Australia.

About Roy Morgan Research Consumer Single Source

Roy Morgan Single Source is based on over 50,000 interviews each year and has been designed and engineered to represent the ideal source model. It provides an integrated understanding of consumers; what they are like, what they consume, what they buy, what they think, what they want, what they watch, read and listen to. The overriding benefit of Roy Morgan Single Source is the strategic insights it offers in the ability to link many aspects. Not only can an organization's profitable customers be delineated by what they think, do, watch, but so can non customers. Hence brand positioning, product differentiation, merchandising, efficient media planning, market expansion and line extension opportunities can all be considered in the light of the correct understanding of the marketplace.

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2