

A man with a beard and short brown hair, wearing a white t-shirt and a grey tool belt, stands in a workshop. He is looking down at a dark smartphone in his hands. The workshop is filled with various tools and equipment, including a yellow and black miter saw on a stand to the left, and wooden framing for a wall or ceiling in the background. The lighting is bright and natural, suggesting a window or door in the background.

# Sole Trader Pulse Australia

# Sole traders vs PAYG Employees

## Sole traders

**63%**

would say they are personally satisfied in running their business.

**58%**

say their well-being is good or very good.

**64%**

say they have a good good work-life balance.

**53%**

feel financially secure.

## PAYG Employees

**36%**

would say they are personally satisfied in their jobs.

**40%**

say their well-being is good or very good.

**48%**

say they have a good good work-life balance.

**34%**

feel financially secure.

# Do sole traders think a recession is coming?

*Q: Do you think Australia's economy is already in a recession or heading into one?*

<b>Is a / will be a recession</b>	<b>66%</b>
Already in a recession	26%
In the next 6 months	22%
In the next year	19%
<b>Will not be in a recession</b>	<b>15%</b>
<b>Undecided</b>	<b>19%</b>

- This was consistent across all personas: Tradies, Freelancers, Consultants, and Health/Wellness.





# Do sole traders see themselves as owning a business?

*Q: Which statement best describes how you think about yourself?*

Statement	Tradies	Freelancers	Consultants	Health/wellness	Under 2 years	11 + years
I own or run a business	<b>53%</b>	45%	<b>64%</b>	<b>60%</b>	42%	<b>69%</b>
I am an individual earning money	42%	<b>54%</b>	34%	35%	<b>57%</b>	28%

## Learnings

- Tradies, Consultants, and Health/Wellness are more likely to regard themselves as running a business.
- Freelancers are more likely to consider themselves as being an individual earner.
- Most sole traders who have been trading for less than 2 years tend to regard themselves as individuals but we see that as they grow and become more successful they're more likely to start thinking of themselves as a business.

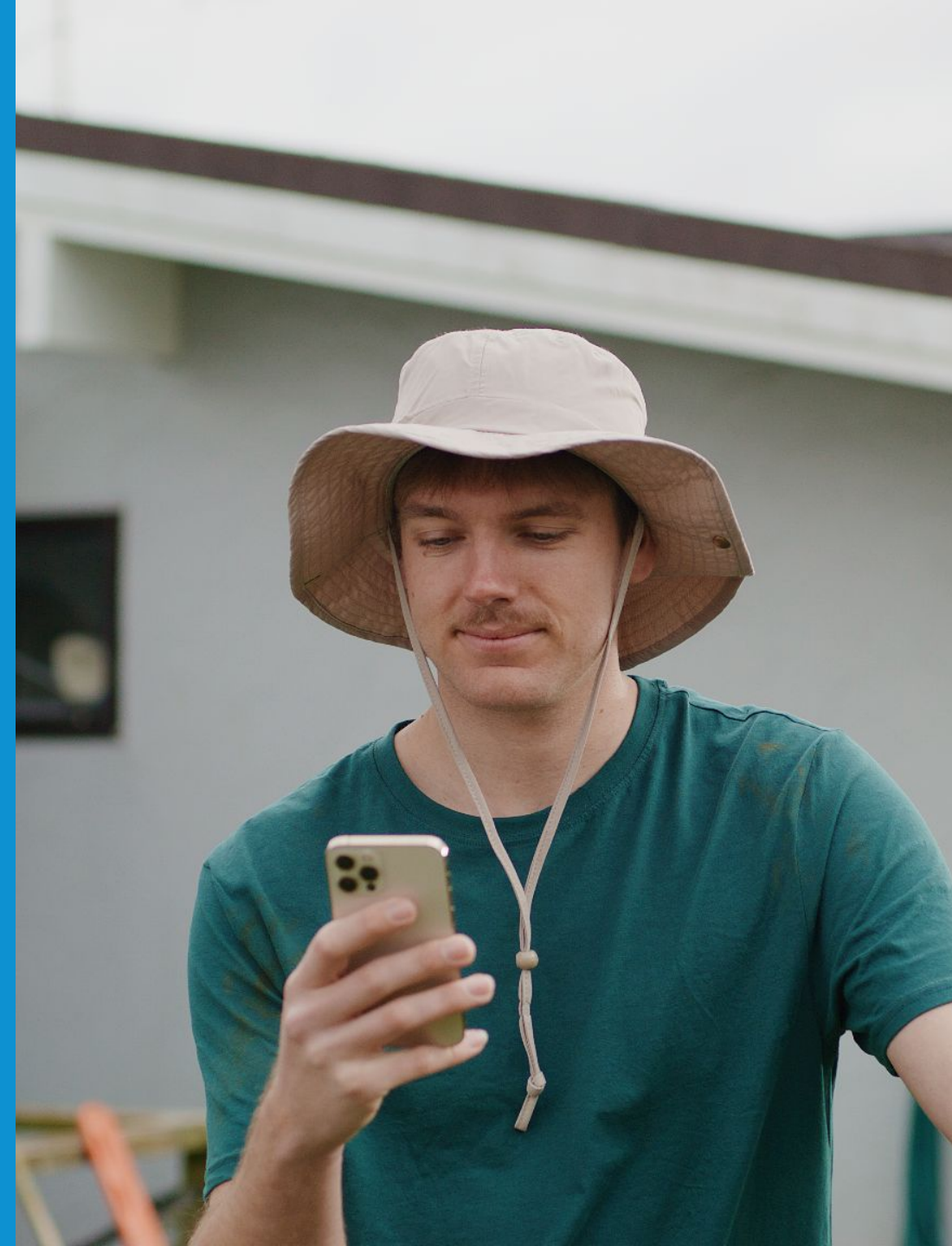
# Payment methods

Sole traders are most likely to get paid via **invoice (69%)** followed by **direct bank transfers (27%)**.

Tradies are mainly getting paid via **invoice (87%)** or accepting **cash (22%)**.

Freelancers are the most common users of **e-commerce platforms** e.g. Shopify **(14%)**.

Health/wellness invoice the least amount but are the more likely than other personas to get paid through **mobile POS (18%)**, **cash (22%)**, and **professional services platforms** e.g. Mable **(12%)**



# IR Reform Programme

IR reforms refer to proposed changes in workplace regulations to promote fairness and productivity in the workplace. One of the impacts of these proposed reforms would be provide more certainty to gig workers around pay rate, workplace conditions, ability to bargain, etc.

Q: How aware are you of the IR reforms and, based on what you know, do you think these changes will affect you positively or negatively as a sole trader?

Awareness of reforms	All sole traders	Males	Females
Totally aware (aware + vaguely aware)	57%	<b>69%</b>	36%
Aware / across details	17%	22%	8%
Vaguely aware / heard something	40%	47%	28%
Unaware	<b>43%</b>	31%	<b>64%</b>

Effect of reforms	All sole traders
Total affected (positive + negative affect)	34%
Positive affect	14%
Negative affect	19%
Total unaffected	<b>66%</b>

## Learnings

- Majority of sole traders are unaware or only vaguely aware of proposed IR reforms - there is general lack of education on the topic.
- **36%** of women were aware of the reforms, compared with **69%** of men.
- Consultants were more likely to be aware than other sole traders (**69%**).
- Majority of sole traders feel they will not be affected by IR reforms.

# Do sole traders support the idea of a minimum living wage for independent earners?

Total support (2022): **51%**

Total support (2023): **43%**

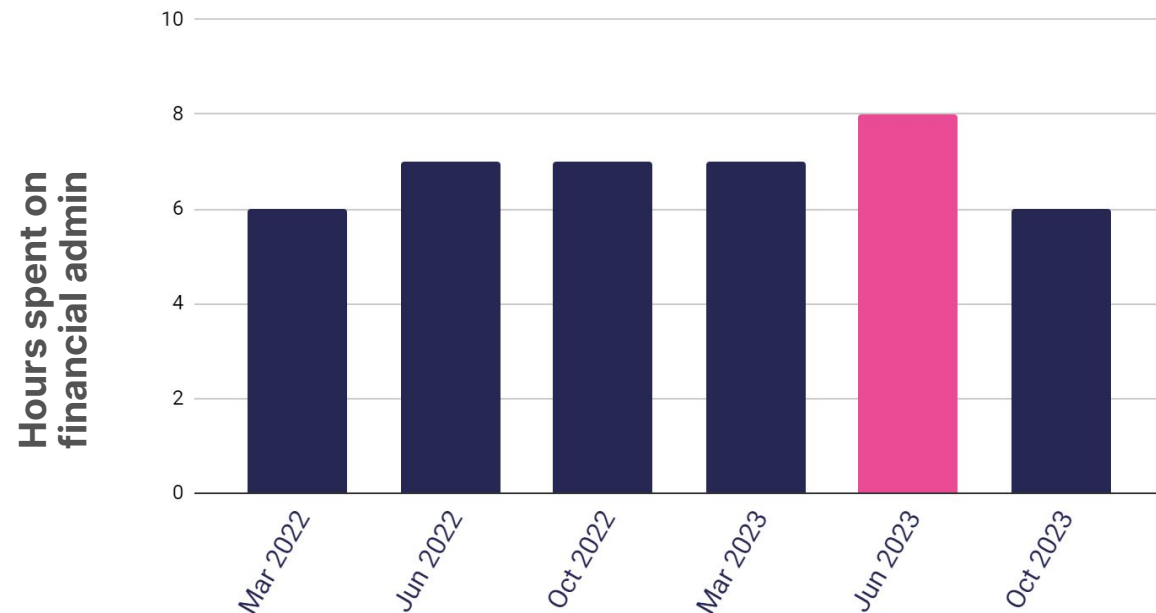
Total oppose (2022): **22%**

Total oppose (2023): **30%**

## Insights

- More than half of freelancers (**55%**) support a minimum wage.
- By contrast, only **33%** of tradies support a minimum wage.
- Though more sole traders support a minimum wage, there has been an **8%** decrease in support over the last year.

# How much time and money sole traders spend on tax admin



- Sole traders spend, on average, 8 hours per week on tax and financial admin
- **38%** of sole traders are spending more than \$500 on EOFY prep.
- Henry customers, by contrast, spend just \$60 per month on tax and financial admin, and nothing additional during the EOFY.

Avg. spent per month on tax admin:

**\$299**

Avg. spent on EOFY prep:

**\$1000**



# Tax returns and rebates

More than half of Australians (**52%**) prefer to pay the right amount of tax rather than pay too much and get a rebate (**24%**).

When asked about their rebate amount in 2023, **38%** who had received their assessment stated that their rebate was lower than it has been previously. **38%** said it was the same or higher.

As of the 9th of October, **49%** of sole traders had submitted their tax return whereas **47%** hadn't yet submitted.

