

Henry Sole Trader Pulse

Australia

March 2024



How the Hnry Sole Trader Pulse was conducted

The Sole Trader Pulse is an independently conducted poll delivered by Resolve Strategic™ 3 times per year. This is the 8th Pulse in the series, with the first dating back to October 2021. The Hnry Sole Trader Pulse seeks to understand the economic and social situation of Australia's 1.1m sole traders on a periodic basis.

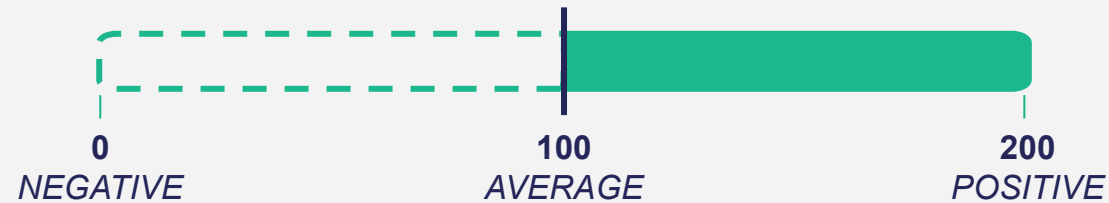
The March 2024 Pulse was conducted between 4th-11th March 2024.

- The survey polled 505 sole traders (excluding those trading as companies) across Australia, with a maximum error margin of +/-4.4%.
- The poll was conducted online via reputable business and general population panels, with respondents screened to ensure they are sole traders (including contractors, consultants, freelancers, gig economy workers, tradies, etc.).
- A representative sample by age, sex, area and tenure when compared to known population parameters using minimum quotas and/or weighting where required.
- In this track the poll also asked a series of ad hoc questions about alternative incomes, expenses and mileage, industrial relations, the Stage 3 tax cuts, and other potential policies affecting sole traders.

How the Henry Sole Trader Pulse works

The questionnaire employs several core questions asked in every track, notably:

- A pulse figure of sole trader sentiment, with 100 being 'average', 0 'negative' and 200 'positive', that can be tracked over time and broken down by sole trader groups. It is calculated using 12 variables, each grouped into current / future business performance, personal factors, business / economic conditions, and past business performance (using an average weighted in descending order).
- A series of attributes, such as sex, age, area, tenure, turnover, industry and whether have another job.



The headline measures include:

- Past financial performance: A combination of sole traders' financial performance in the last 12 months and the last quarter
- Current/future financial performance: A combination of sole traders' financial performance right now and expectations for financial performance in the next quarter and the next year
- Economic conditions: A combination of sole traders' perspective on business conditions right now, economic conditions right now and expected economic conditions in 6 months
- Personal conditions: A combination of sole traders' personal satisfaction, mental well-being, work life balance and degree of freedom

March 2024 Sole Trader Pulse Overview - AU

	TOTAL	INDUSTRY					BUSINESS TENURE			GENDER	
	Index Result	Tradie	Freelancer / Creative	Consultant	Health / Wellness	Others	< 2 years	3-10 years	11+ years	Males	Females
Past Financial Performance											
Financial Performance - Last Quarter	132	139	122	140	141	117	131	132	132	137	123
Current / Future Financial Performance											
Financial Performance Right Now	136	146	129	144	138	121	126	137	139	139	130
Financial Performance Next Quarter	144	147	141	148	145	134	136	154	140	147	138
Business & Economic Conditions											
Health of the Economy Right Now	104	111	98	115	104	84	95	114	102	110	94
Health of the Economy in 6 Months	117	122	114	118	120	108	109	123	118	121	110
Personal Factors											
Personal Satisfaction and Enjoyment	159	165	155	167	160	150	152	159	163	161	156
Wellbeing	145	137	143	158	147	141	139	144	149	143	150
Work-life balance	156	142	154	172	158	156	155	158	156	152	165
Financial Security	143	153	130	156	156	124	138	137	150	146	138
Job Security	144	149	142	141	147	141	127	145	150	146	139
Total Index	138	141	133	146	142	128	131	140	140	140	134

Sole Traders are a large and growing sector of over 1.1 million Australians

There are over **1.1 million independent earners** in Australia¹, growing at **25,000 per year** making it the largest and one of the fastest growing segments of the Australian economy



Sole Traders are a large and diverse group, comprising freelancers, contractors, tradies, gig workers and health and wellness professionals ~**40%** of whom have more than one job



Sole traders **contribute over \$72B** to Australia's GDP² per annum

Sole traders are spending over 10 million hours every week on tax and financial admin. That represents \$28 billion in lost productivity every year. As such they are turning to services (such as Hnry) that help to ease that burden



Sole traders are going through tough times now - 38% reported lower turnover QoQ - the highest since the Delta wave of COVID-19

QoQ Financial Performance Reported by Sole Traders

Chart: Proportion of sole traders that reported turnover was the lower, the same or higher than that of the previous quarter between Oct 2021 and Mar 2024

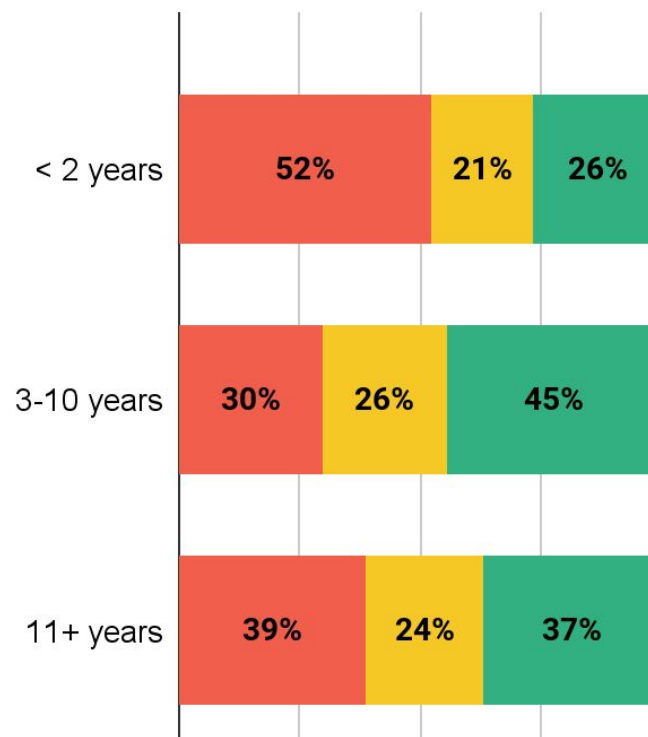


Tradies, Freelancers and those newer to sole trading are struggling most. WA sole traders are also doing it tougher than others

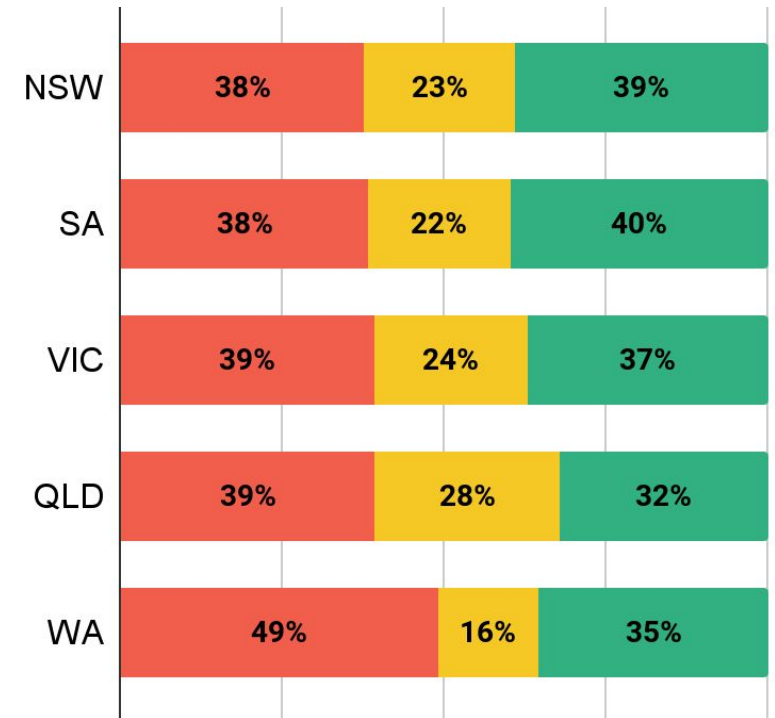
QoQ Financial Performance Reported by Sole Traders, by Industry



QoQ Financial Performance Reported by Sole Traders, by Business Tenure

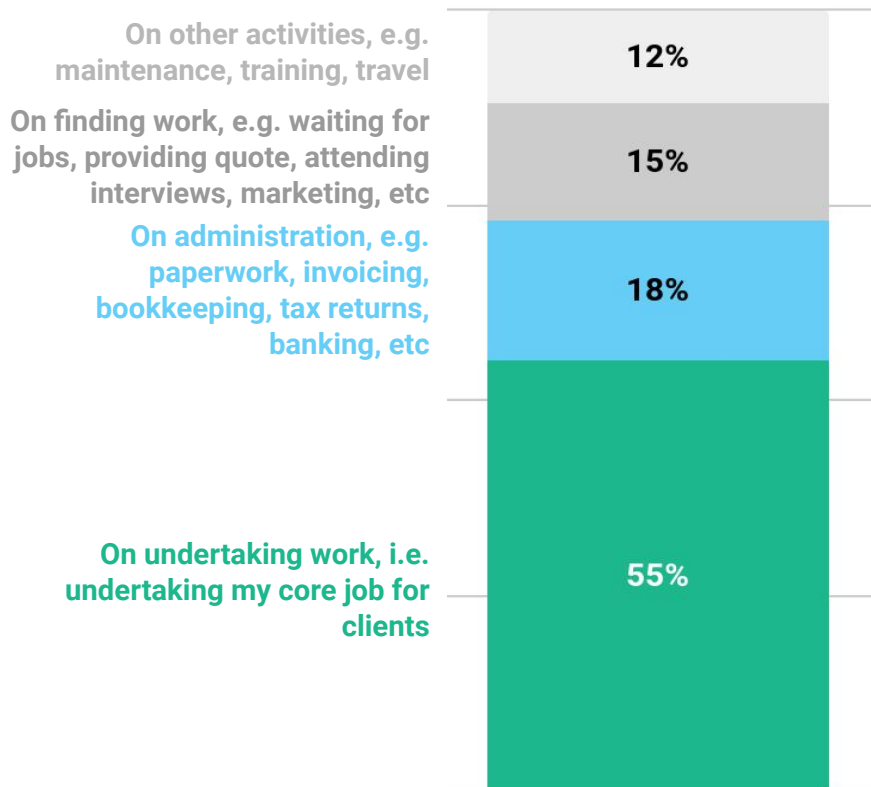


QoQ Financial Performance Reported by Sole Traders, by State

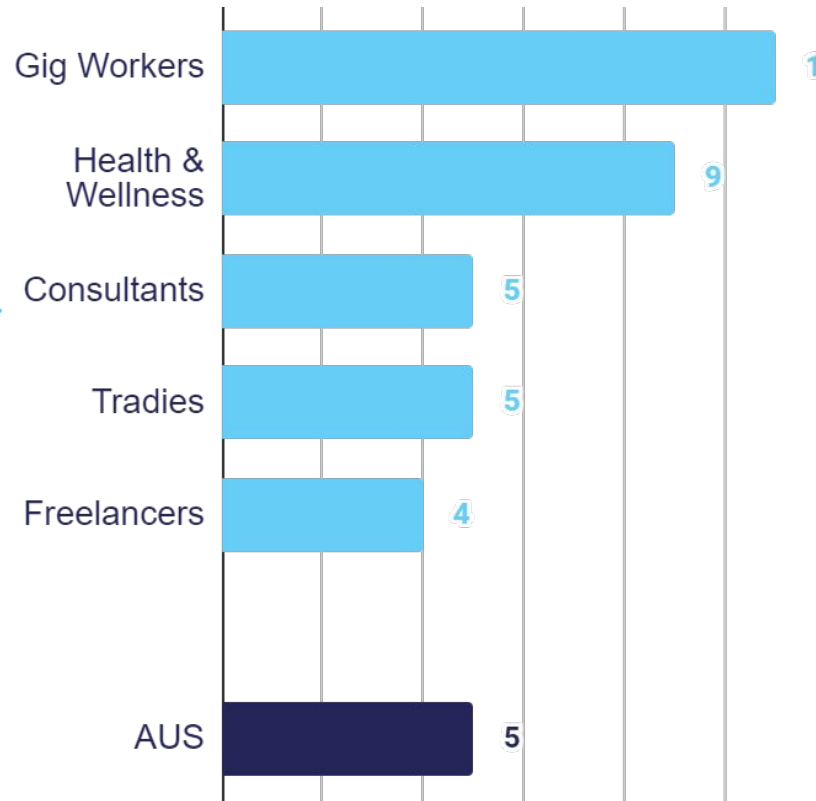


Tax & financial admin remains a significant time & cost burden; Hnry customers save 60% of the monetary cost and time commitment¹

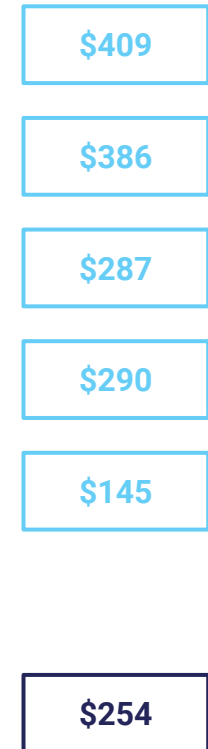
Proportion of time spent on misc. administrative tasks
Chart: Proportion of time spent on work and admin p/wk



Time and cost spent managing tax and financial admin
Chart: Hours spent on tax & financial admin per week



Cost per month of tax and financial admin



Notes: (1) Based on March 2024 NZ STP Figures

About Hnry



*Pictured [L to R]: **Karan Anand** (Managing Director, Australia), **James Fuller** (CEO) and **Claire Fuller** (COO)*

Hnry provides an all-in-one digital accounting service for contractors, freelancers, sole traders and the self-employed, allowing them to focus on getting the job done and never having to think about tax and compliance again. As Australasia's fastest-growing accountancy, Hnry takes care of invoicing, expenses, payments, taxes and filings in an affordable, pay-as-you-go model, as well as providing expert, on-demand support.

Founded in Wellington in 2017, Hnry has experienced record growth and now helps more than 35,000 self-employed people in both New Zealand and Australia. Hnry has continued to win awards and accolades, including 2022 & 2023 Finder.com.au Best B2B Innovation and 2022 & 2023 Finnies People Choice Fintech of the year.

Contact us

 media@hnry.com.au

 <https://www.instagram.com/hnryau/>

 https://twitter.com/hnry_au

 <https://au.linkedin.com/company/hnry>

 <https://www.facebook.com/hnryau/>