



Small Business Momentum Survey



Small
Business
Commissioner

November 2025

Overview









The NSW Small Business Commission (the Commission) regularly engages with small businesses across the State through the monthly Momentum Survey. This report summarises key insights, trends and data from the November 2025 survey.

Small business confidence declined between October and November 2025, decreasing by four percentage points to 25 per cent and more than reversing last month's modest two percentage point increase. Confidence levels remain subdued amid challenging trading conditions and this fall coincides with inflation data coming in higher than expected, as well as the RBA's decision to leave the cash rate unchanged.

Expectations about profitability declined for a second consecutive month, with 13 per cent of businesses expecting an increase over the next three months, one percentage point lower than in October.

Despite confidence levels falling in November, the Momentum Index, which measures underlying business trends, as opposed to sentiment (which may be influenced by broader narratives as well as businesses' own direct experiences), rose by 6.6 points to 120.7, a record high, and remained in expansionary territory for a fourth consecutive month. This was primarily driven by an increase in businesses planning to purchase or rent additional property, plant and/or equipment, and a significant rise in businesses planning to hire new staff, potentially in anticipation of increased trade leading up to the Christmas and New Year period.

The online survey was completed between 1 and 30 November, with more than 800 small businesses across NSW responding.

		Previous month
	Confidence 25 per cent of businesses indicated they were confident about their individual business prospects.	↓
	Concerns 85 per cent of businesses indicated they were concerned about the cost of business inputs.	↓
	Momentum* The Momentum Index increased by 6.6 to 120.7 points.	↑
	Staff 64 per cent of businesses with plans to expand are looking to hire additional staff.	↑
	Expansion 33 per cent of businesses indicated they have plans to grow, alter or expand operations.	↓
	Profitability 13 per cent expect profitability to increase, compared to 43 per cent expecting a decline.	↓
	Revenue 17 per cent expect revenue to increase, compared to 36 per cent expecting a decline.	↓
	Local economy 17 per cent of businesses indicated they were confident about their local economy.	↓



“Sales keep dropping, costs keep rising and there is no confidence or investment in my industry. I’m facing the possibility of having to close the business within the next six months.”

*See pages 5 & 9 for more information on the Momentum Index.

Business conditions



Business conditions improved in November. Despite a decline in near-term performance indicators, recent business performance strengthened and concerns about input costs eased slightly.

The proportion of businesses exploring new ways to grow, adapt or expand their operations declined in November, decreasing by three percentage points to 33 per cent, in line with the series average. Among businesses with expansion plans, the proportion intending to hire additional staff rose significantly for a second consecutive month, increasing by 21 percentage points to 64 per cent, 16 percentage points above the series average. The business expansion activity series continues to show volatility in 2025, potentially reflecting broader economic uncertainty and seasonal factors, such as the upcoming Christmas and New Year period.

The percentage of businesses expecting a near-term revenue increase declined in November, with 17 per cent anticipating growth over the next three months, down three percentage points from October.

Confidence

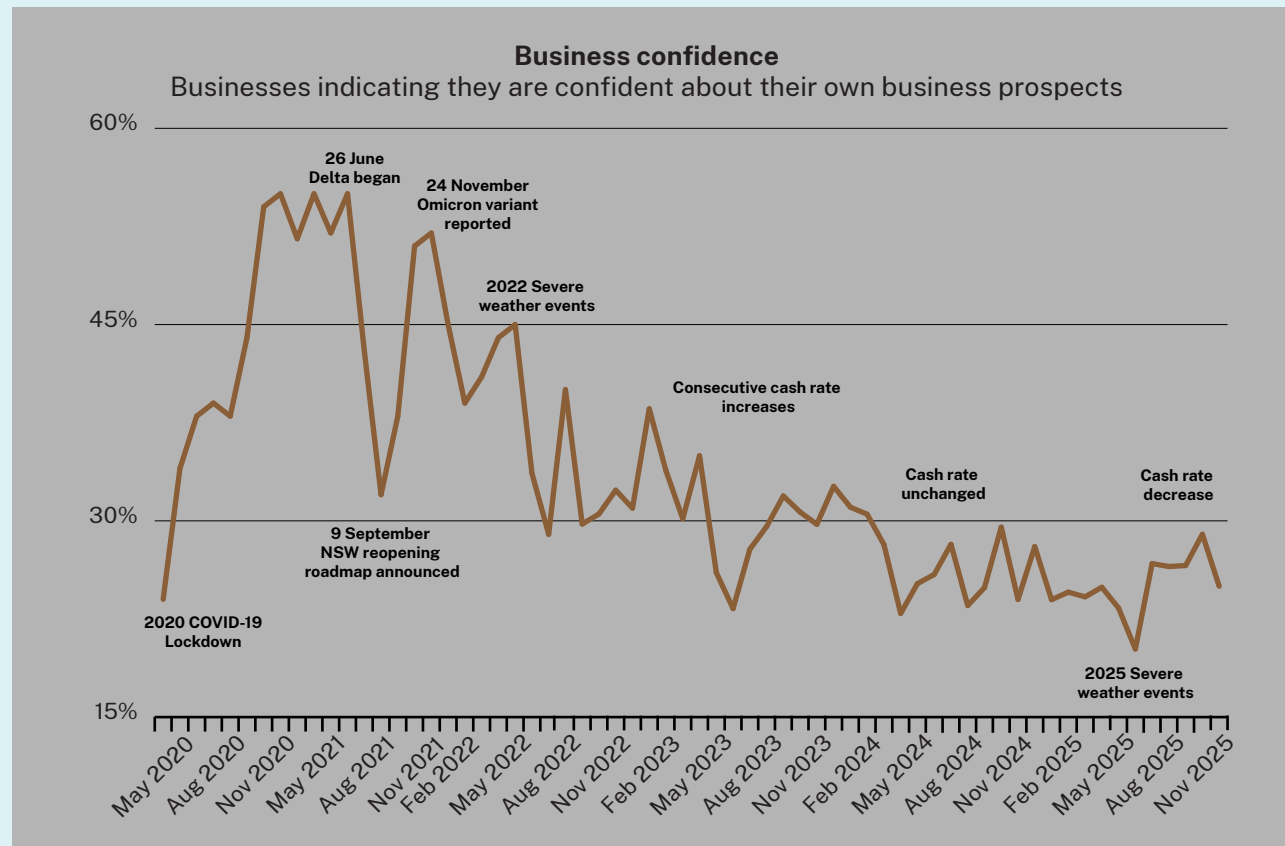
Small business confidence declined by four percentage points to 25 per cent between October and November. Employing businesses were slightly more confident about their individual prospects than their non-employing counterparts (26 per cent compared to 24 per cent).

Business performance

Business performance indicators were mixed in November. Recent performance improved, while near-term performance expectations declined despite the upcoming Christmas and New Year period. A higher proportion of businesses continue to anticipate a decline in revenue and profitability than those expecting an improvement.

The business environment

The cost of business inputs remains the top concern for small businesses, with 85 per cent expressing concern, one percentage point above the series average. The next most cited concerns were cash flow and the availability of working capital (76 per cent), followed by predicted retail electricity and gas price changes (74 per cent).

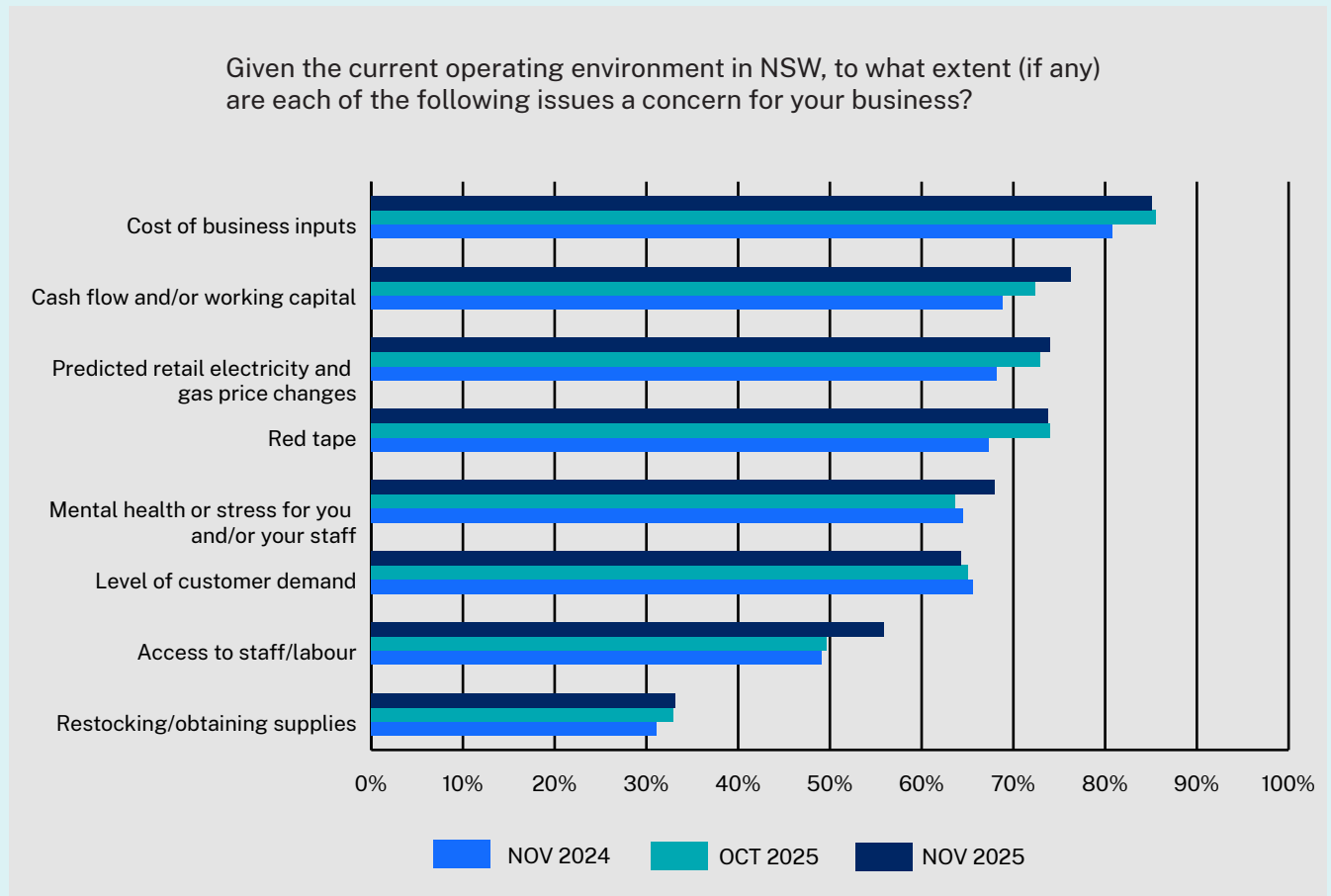


Business conditions



“Small businesses in Australia are worried because policies keep changing, red tape is increasingly time-consuming and costly and the tax system often feels unfair and harder on small operators than on large companies. These pressures make it more difficult for small businesses to survive and grow.”

Business concerns



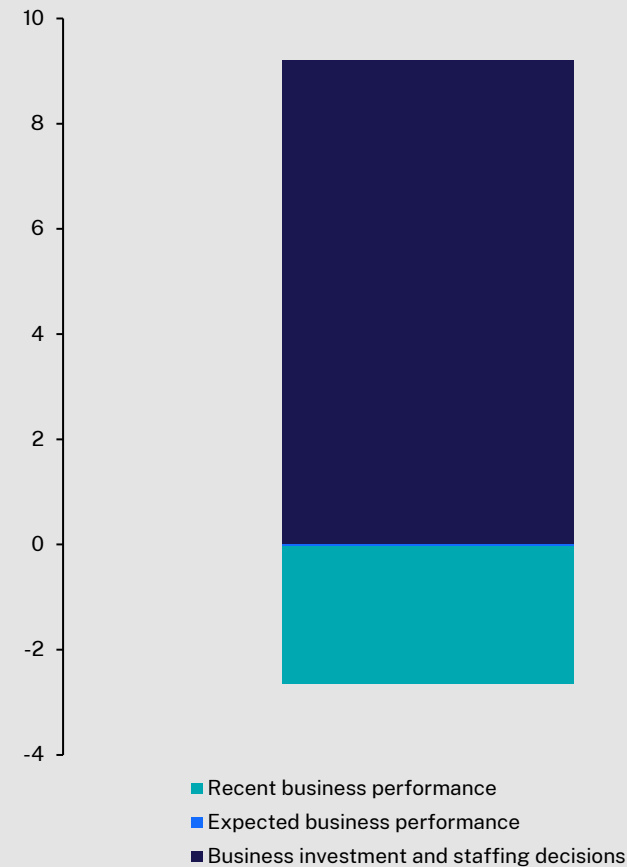
Momentum in Focus

The Momentum Index is a composite measure that tracks key business performance metrics to identify critical turning points in underlying trends. In November, the Index rose for a second consecutive month, increasing by 6.6 points to 120.7, a new all-time high and remained in expansionary territory for a fourth consecutive month.

This increase was driven by particularly strong performance in the business investment and staffing component of the Index, while the expected business performance component had a neutral impact and the recent business performance component detracted from the overall result.

- **Business investment and staffing decisions (+9.2%)** - were the leading contributor to the Index. The proportion of businesses planning to purchase or rent additional property, plant and/or equipment, as well as hire additional staff, increased significantly, possibly in anticipation of increased trade leading up to the Christmas and New Year period.
- **Expected business performance (0.0%)** - had a net-zero impact on the Index, with a marginal increase in predicted profitability (+0.1%) offset by a marginal decrease in predicted revenue (-0.1%).
- **Recent business performance (-2.6%)** - had a negative impact on the Index, with decreases in recent profitability (-1.8%) and revenue (-0.8%).

Contribution to change in Momentum Index: October to November



Detailed results



Confidence

	Confidence – in own business prospects [#]		Confidence – in local economy [#]	
	November 2025	October 2025	November 2025	October 2025
Extremely confident	↓ 5.8%	6.1%	↓ 2.1%	3.4%
Fairly confident	↓ 19.6%	22.9%	↓ 15.3%	17.3%
About the same	↓ 28.1%	28.2%	↓ 36.2%	36.4%
Fairly worried	↑ 30.0%	29.4%	↑ 29.0%	28.8%
Extremely worried	↑ 16.6%	13.4%	↑ 17.4%	14.0%
Extremely or fairly confident	↓ 25.4%	29.0%	↓ 17.5%	20.8%

Business size	n	% sample	Confidence*	Previous month
Non employing	275	34.2%	23.8%	↓
1 – 4 employees	268	33.3%	22.0%	↓
5 – 19 employees	186	23.1%	27.8%	↑
20 – 199 employees	76	9.4%	36.3%	↓
Total	805	100.0%	25.4%	↓

Location	n	% sample	Confidence*	Previous month
Greater Sydney	396	49.7%	25%	↓
Regional and Rural NSW	400	50.3%	26%	↑
Total	796	100.0%	25%	↓

[#]Confidence figures weighted according to industry share of the small business population.

*Confidence figures refer to share of businesses indicating they are confident about their own business prospects. Caution should be taken when interpreting results for categories with a small sample size.

Detailed results



Confidence

Industry	n	% sample	Confidence*	Previous month
Agriculture, Forestry and Fishing	65	8.1%	11.9%	↓
Mining	1	0.1%	100.0%	↑
Manufacturing	38	4.7%	17.1%	↓
Electricity, Gas, Water and Waste Services	14	1.7%	35.7%	↑
Construction	91	11.3%	20.2%	↓
Wholesale Trade	30	3.7%	3.7%	↓
Retail Trade	72	8.9%	12.3%	↓
Accommodation and Food Services	47	5.8%	18.2%	↓
Transport, Postal and Warehousing	42	5.2%	25.6%	↑
Information Media and Telecommunications	30	3.7%	23.3%	↑
Financial and Insurance Services	32	4.0%	41.9%	↑
Rental, Hiring and Real Estate Services	27	3.4%	34.6%	↓
Professional, Scientific and Technical Services	75	9.3%	31.0%	↓
Administrative and Support Services	11	1.4%	30.0%	↓
Public Administration and Safety	1	0.1%	0.0%	N/A
Education and Training	27	3.4%	34.8%	↑
Health Care and Social Assistances	55	6.8%	30.2%	↑
Arts and Recreation Services	24	3.0%	26.1%	↓
Other Services	123	15.3%	23.0%	↓
Total	805	100.0%	25.4%	↓

*Confidence figures refer to share of businesses indicating they are confident about their own business prospects. Caution should be taken when interpreting results for industries with a small sample size.

Detailed results



Revenue and profitability

	Revenue change – Past 3 months [#]		Revenue change – Expected over next 3 months [#]		Profitability change – Past 3 months [#]		Profitability change – Expected over next 3 months [#]	
	November 2025	October 2025	November 2025	October 2025	November 2025	October 2025	November 2025	October 2025
Increase	↑ 19.4%	17.6%	↓ 17.1%	19.6%	↑ 11.5%	9.5%	↓ 13.3%	13.8%
No change	↑ 38.8%	37.4%	↓ 40.5%	42.6%	↓ 34.8%	35.9%	↓ 37.5%	38.0%
Decrease	↓ 40.7%	43.5%	↑ 36.4%	30.6%	↓ 52.3%	52.8%	↑ 42.7%	40.6%
Unsure	↓ 1.2%	1.4%	↓ 6.0%	7.2%	↓ 1.4%	1.8%	↓ 6.5%	7.6%

[#]Revenue and profitability figures weighted according to industry share of the small business population.

Business expansion

Plans to grow, alter, or expand business operations? [#]		
	November 2025	October 2025
Yes	↓ 32.7%	35.5%
No	↑ 52.4%	49.5%
Unsure	= 14.9%	14.9%

[#]Weighted according to industry share of the small business population.

Nature of plans (of those who indicated 'yes') [~]		
	November 2025	October 2025
We have plans to hire additional staff	↑ 63.7%	43.0%
We have plans to purchase/rent additional property, plant and/or equipment	↑ 36.1%	34.5%
We have plans to establish or expand our online business	↑ 31.4%	29.2%
We have plans to improve the range and/or quality of our products and services	↑ 53.0%	48.9%
Other	↓ 17.4%	19.5%

[~]Respondents able to select multiple options; weighted according to industry share of the small business population; n=242.

Detailed results



Momentum Index

	Momentum Index	Previous month
May 2024	89.1	↓
June 2024	93.2	↑
July 2024	92.8	↓
August 2024	98.4	↑
September 2024	99.7	↑
October 2024	100.8	↑
November 2024	109.3	↑
December 2024	96.1	↓
January 2025	107.4	↑
February 2025	102.4	↓
March 2025	93.0	↓
April 2025	96.0	↑
May 2025	91.0	↓
June 2025	97.9	↑
July 2025	98.8	↑
August 2025	104.0	↑
September 2025	102.9	↓
October 2025	114.1	↑
November 2025	120.7	↑

About the Momentum Index

The Momentum Index (the Index) is forward-looking and combines a variety of indicators to provide a better overall measure of small business conditions in NSW.

The Index is comprised of three core indicators, including business decisions to hire staff or purchase capital equipment, their recent performance and expectations of their near-term performance.

The Index measures current sentiment and business performance relative to recent levels. A recording above 100 implies businesses are in an expansionary phase and picking up momentum. A recording below 100 implies businesses are in a contractionary phase and slowing down in momentum.

Please contact the Small Business Commission for more information about methodology.

About the Commission



Our purpose

The NSW Small Business Commissioner is an independent statutory appointment that operates under the Small Business Commissioner Act 2013.

The Commissioner:

- **Is independent**
- **Is a source of information and guidance for NSW small businesses**
- **Advocates to reduce administrative burden for small businesses**
- **Facilitates and encourages the fair treatment of small businesses**
- **Promotes greater partnership between government and small business**
- **Conducts mediation to resolve disputes.**

What we do

We help resolve issues affecting small businesses across the State and influence changes in Government policies.



We ensure that small business needs are front of mind in NSW Government decision-making.



We advocate for small businesses, providing information resources, strategic advice and practical guidance to tens of thousands of businesses each year.



We provide a cost-effective dispute resolution service to help keep leasing disputes and other small business disagreements out of court.

Contact us



Call us

1300 795 534



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www.smallbusiness.nsw.gov.au



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Methodology

Fieldwork conducted between 1 November to 30 November with 805 respondents. The survey is conducted through an online survey platform.

Selected businesses are invited to participate, with the sample randomly drawn. Where indicated, figures are weighted according to each industry's share of the small business population. Smaller sample sizes mean that results for individual industries and other categories should be treated with caution.

Figures may not align with the total percentage as respondents were able to select multiple options for certain questions.

Please contact the Small Business Commission for more information about survey methodology.