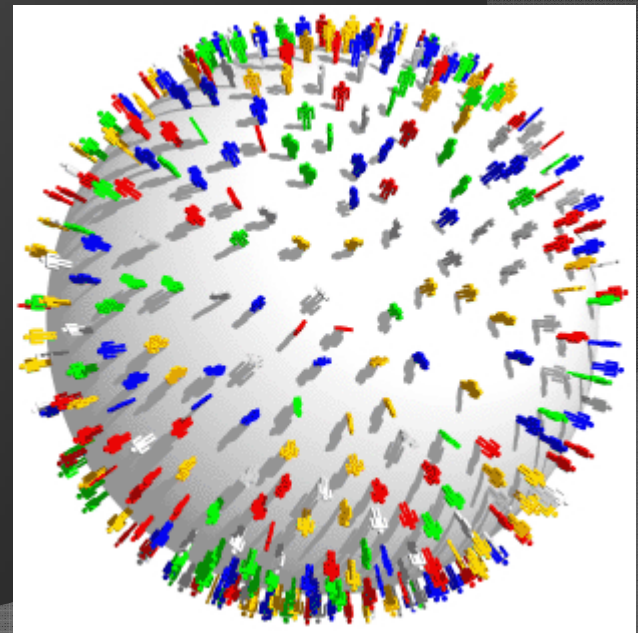


# YEARLY BUSINESS CONFIDENCE SURVEY AND INDEX

Clive Coetzee  
General Manager: Infrastructure  
Management and Economic Services  
KZN Provincial Treasury



# BUSINESS DEMOGRAPHICS



# BUSINESS DEMOGRAPHICS

**How many employees do you have?**

	2005	2007	2008	2009	2010	2011	2012
Durban	0 - 10	0 - 10	0 - 10	101 - 200	0 - 10	0 - 10	0 - 10
Pmb	11. - 30	0 - 10	0 - 10	0 - 10	0 - 10	0 - 10	11. - 30
RBay	0 - 10	0 - 10	0 - 10	0 - 10	11. - 30	0 - 10	51 - 100
Port Shepstone	-	-	-	-		0 - 10	0 - 10
Other	-	-	-	-	-	0 - 10	11. - 30
Regional	0 - 10	0 - 10	0 - 10	31 - 50	0 - 10	0 - 10	0 - 10



# BUSINESS DEMOGRAPHICS

**Is your  
business  
locally owned?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	-	Yes	Yes	Yes	Yes	Yes
Pmb	-	-	Yes	Yes	Yes	Yes	Yes
RBay	-	-	Yes	Yes	Yes	Yes	Yes
Port Shepstone	-	-	-	-	-	Yes	Yes
Other	-	-	-	-	-	Yes	Yes
Regional	-	-	Yes	Yes	Yes	Yes	Yes

# BUSINESS DEMOGRAPHICS

**Is your business  
predominantly a  
Product or  
Service  
Business?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	-	Service	Service	Service	Service	Service
Pmb	-	-	Service	Service	Service	Service	Service
RBay	-	-	Service	Service	Service	Service	Service
Port Shepstone	-	-	-	-	-	Service	Service
Other	-	-	-	-	-	Service	Service
Regional	-	-	Service	Service	Service	Service	Service

# BUSINESS DEMOGRAPHICS

The primary market for your product and/or service is?

	2007	2008	2009	2010	2011	2012
Durban	National consumers	National business	Local business	National business	National business	National business
Pmb	National consumers	Provincial business	National business	Local consumers	National business	Local consumers
RBay	-	Local business	Local consumers	Local business	Local business	Local consumers
Port Shepstone	-	-	-	-	National consumers	National consumers
Other	-	-	-	-	Local consumers	Local consumers
Regional	National consumers	National business	Local business	National business	National business	National business

# BUSINESS DEMOGRAPHICS

**Has the business expanded in terms of its operations over the last 5 years?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	-	Yes	Yes	Yes	Yes	Yes
Pmb	-	-	Yes	Yes	Yes	Yes	Yes
RBay	-	-	Yes	Yes	Yes	Yes	Yes
Port Shepstone	-	-	-	-	-	Yes	No
Other	-	-	-	-	-	Yes	Yes
Regional	-	-	Yes	Yes	Yes	Yes	Yes

# BUSINESS FACTORS COMPARISONS



# BUSINESS FACTORS COMPARISONS

**Rates and Taxes? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	8	7	10	10	8	10	9
Pmb	7	7	5	8	5	10	10
RBay	8	5	10	7	6	7	8
Port Shepstone	-	-	-	-	-	10	10
Other	-	-	-	-	-	10	10
Regional	7	7	10	10	8	10	9

# BUSINESS FACTORS COMPARISONS

**Cost of money? (1= least important  
& 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	10	10	10	10	8	10	10
Pmb	10	9	9	8	9	10	10
RBay	10	10	10	10	8	5	7
Port Shepstone	-	-	-	-	-	10	6
Other	-	-	-	-	-	10	10
Regional	10	10	10	10	8	10	10

# BUSINESS FACTORS COMPARISONS

**National economy? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	8	10	10	10	10	10
Pmb	-	9	9	10	9	10	10
RBay	-	10	5	10	9	10	9
Port Shepstone	-	-	-	-	-	10	9
Other	-	-	-	-	-	10	9
Regional	-	8	10	10	9	10	10

# BUSINESS FACTORS COMPARISONS

**Competition -National? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	8	8	8	7	8	8
Pmb	-	9	8	6	4	8	9
RBay	-	9	9	7	9	6	7
Port Shepstone	-	-	-	-	-	10	7
Other	-	-	-	-	-	5	10
Regional	-	8	8	8	7	8	8

# BUSINESS FACTORS COMPARISONS

**Competition -Foreign? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	5	1	1	8	1	1	5
Pmb	6	6	1	1	1	1	1
RBay	1	1	1	5	1	1	1
Port Shepstone	-	-	-	-	-	1	1
Other	-	-	-	-	-	1	5
Regional	5	1	1	8	1	1	1

# BUSINESS FACTORS COMPARISONS

**Infrastructure/Electricity, Water, Roads etc? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	10	10	10	10	10	10	10
Pmb	8	10	9	10	10	10	10
RBay	10	10	10	10	8	10	10
Port Shepstone	-	-	-	-	-	10	10
Other	-	-	-	-	-	10	10
Regional	10	10	10	10	10	10	10

# BUSINESS FACTORS COMPARISONS

**Labour Relations? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	10	8	8	8	8	9	8
Pmb	8	8	9	8	6	9	10
RBay	5	6	10	8	6	8	7
Port Shepstone	-	-	-	-	-	5	7
Other	-	-	-	-	-	10	10
Regional	10	8	8	8	8	8	8

# BUSINESS FACTORS COMPARISONS

**Crime and Violence? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	9	10	10	10	10	10	10
Pmb	10	10	8	10	7	10	5
RBay	6	10	10	8	7	5	5
Port Shepstone	-	-	-	-	-	10	9
Other	-	-	-	-	-	8	10
Regional	10	10	10	10	10	10	10

# BUSINESS FACTORS COMPARISONS

**Political Stability? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	8	10	10	10	8	10	10
Pmb	9	10	9	8	9	10	10
RBay	10	8	10	9	10	9	10
Port Shepstone	-	-	-	-	-	10	10
Other	-	-	-	-	-	10	10
Regional	8	10	10	10	8	10	10

# BUSINESS FACTORS COMPARISONS

**New technology/R&D/Training? (1= least important & 10 = critical important)**

	2005	2007	2008	2009	2010	2011	2012
Durban	5	8	8	10	8	10	10
Pmb	8	8	7	8	8	10	10
RBay	10	5	8	10	7	8	8
Port Shepstone	-	-	-	-	-	5	8
Other	-	-	-	-	-	7	8
Regional	5	8	8	10	8	10	10

# BUSINESS FINANCIAL COMPARISONS



# BUSINESS FINANCIAL COMPARISONS

**The profitability objectives of the business for the previous year were achieved?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	-	Yes	Yes	Yes	Yes	Yes
Pmb	-	-	Yes	Yes	Yes	No	Yes
RBay	-	-	Yes	Yes	No	Yes	Yes
Port Shepstone	-	-	-	-	-	No	No
Other	-	-	-	-	-	Yes	No
Regional	-	-	Yes	Yes	No	No	Yes

# BUSINESS FINANCIAL COMPARISONS

**What are the %  
labour costs to  
total costs of your  
company?**

	2005	2007	2008	2009	2010	2011	2012
Durban	66 - 75	26 - 35	36 - 45	46 - 55	36 - 45	36 - 45	46 - 55
Pmb	26 - 35	36 - 45	16 - 25	26 - 35	46 - 55	16 - 25	0 - 15
RBay	36 - 45	16 - 25	36 - 45	26 - 35	36 - 45	66 - 75	76 - 85
Port Shepstone	-	-	-	-	-	16 - 25	36 - 45
Other	-	-	-	-	-	36 - 45	16 - 25
Regional	66 - 75	26 - 35	36 - 45	36 - 45	36 - 45	26 - 35	26 - 35

# BUSINESS FINANCIAL COMPARISONS

**Your company is currently operating on ...% capacity?**

	2005	2007	2008	2009	2010	2011	2012
Durban	66 - 75	66 - 75	86 - 100	76 - 85	66 - 75	76 - 85	76 - 85
Pmb	86 - 100	86 - 100	76 - 85	76 - 85	56 - 65	76 - 85	56 - 65
RBay	86 - 100	66 - 75	76 - 85	76 - 85	56 - 65	86 - 100	86 - 100
Port Shepstone	-	-	-	-	-	46 - 55	66 - 75
Other	-	-	-	-	-	76 - 85	76 - 85
Regional	66 - 75	66 - 75	86 - 100	76 - 85	66 - 75	76 - 85	76 - 85

# BUSINESS FINANCIAL COMPARISONS

**As a percentage, what wage/salary increases do you expect for the year (nominal terms)?**

	2005	2007	2008	2009	2010	2011	2012
Durban	6%	7%	8%	10%	8%	8%	8%
Pmb	6%	7%	8%	10%	6%	6%	7%
RBay	8%	7%	10%	4% and Less than	6%	7%	6%
Port Shepstone	-	-	-	-	-	10%	4% and Less than
Other	-	-	-	-	-	7%	6%
Regional	6%	7%	8%	10%	8%	8%	8%

# BUSINESS FINANCIAL COMPARISONS

**As a percentage,  
what turnover  
increases do you  
expect for the year  
(nominal terms)?**

	2005	2007	2008	2009	2010	2011	2012
Durban	12%	More than 12%	More than 12%	12%	Less than 4%	10%	More than 12%
Pmb	More than 12%	10%	More than 12%	Less than 4%	9%	10%	More than 12%
RBay	11%	8%	6%	Less than 4%	Less than 4%	7%	Less than 4%
Port Shepstone	-	-	-	-	-	Less than 4%	Less than 4%
Other	-	-	-	-	-	11%	Less than 4%
Regional	12%	More than 12%	More than 12%	Less than 4%	Less than 4%	Less than 4%	More than 12%

# BUSINESS EXPECTATIONS



# BUSINESS EXPECTATIONS

**Present  
business/trading  
conditions are?**

	2005	2007	2008	2009	2010	2011	2012
Durban	Fair	Good	Fair	Good	Fair	Poor	Fair
Pmb	Good	Good	Fair	Fair	Fair	Poor	Fair
RBay	Good	Good	Fair	Fair	Fair	Fair	Fair
Port Shepstone	-	-	-	-	-	Fair	Fair
Other	-	-	-	-	-	Fair	Fair
Regional	Fair	Good	Fair	Fair	Fair	Fair	Fair

# BUSINESS EXPECTATIONS

**Your expected sales performance over the next year?**

	2005	2007	2008	2009	2010	2011	2012
Durban	Much better	Better	Better	Same	Better	Better	Better
Pmb	Better	Better	Better	Better	Better	Same	Better
RBay	Better	Better	Same	Better	Better	Better	Better
Port Shepstone	-	-	-	-	-	Same	Better
Other	-	-	-	-	-	Better	Better
Regional	Much better	Better	Better	Same	Better	Better	Better

# BUSINESS EXPECTATIONS

**I am expecting to expand my business operations during the year?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	Yes	Yes	Yes	Maybe	Yes	Yes
Pmb	-	Yes	Maybe	No	No	Maybe	Maybe
RBay	-	Yes	Maybe	No	Yes	Maybe	Yes
Port Shepstone	-	-	-	-	-	No	Yes, definitely
Other	-	-	-	-	-	No	Yes
Regional	-	Yes	Yes	Maybe	Yes	Yes	Yes

# BUSINESS EXPECTATIONS

**I am expecting to expand my workforce during the year?**

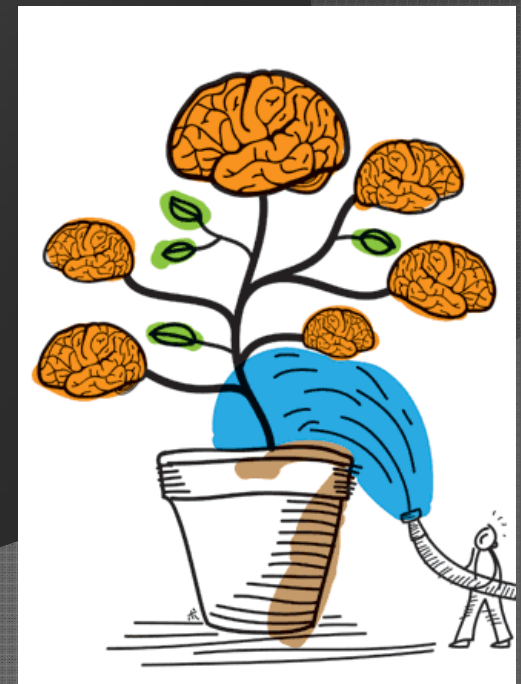
	2005	2007	2008	2009	2010	2011	2012
Durban	-	Yes	No	Maybe	No	No	No
Pmb	-	Yes	No	No	Maybe	No	No
RBay	-	Yes	Yes	No	No	No	Maybe
Port Shepstone	-	-	-	-	-	No	No
Other	-	-	-	-	-	No	Maybe
Regional	-	Yes	No	Yes	No	No	No

# BUSINESS EXPECTATIONS

**I have experienced an increase in economic activity in the local economy during the past year?**

	2005	2007	2008	2009	2010	2011	2012
Durban	-	Yes	Yes	Maybe	No	No	No
Pmb	-	Yes	No	Yes	Maybe	No	No
RBay	-	Yes	No	Maybe	No	No	No
Port Shepstone	-	-	-	-	-	No	No
Other	-	-	-	-	-	No	No
Regional	-	Yes	Yes	Yes	No	No	No

# REGIONAL SALES MULTIPLIERS



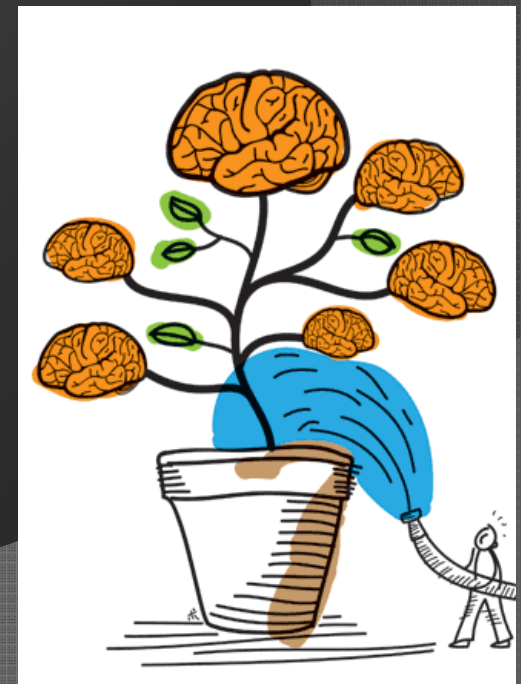
# REGIONAL SALES MULTIPLIERS

Sales Multipliers 2011	PMB	DURBAN	RICHARDS BAY	PORT SHEPSTONE	NEW CASTLE
PMB	<u>1.887</u>	0.399	0.127	0.060	0.087
DURBAN	0.214	<u>2.064</u>	0.312	0.077	0.081
RICHARDS BAY	0.080	0.507	<u>2.985</u>	0.025	0.027
PORT SHEPSTONE	0.174	0.462	0.155	<u>1.745</u>	0.043
NEW CASTLE	0.153	0.514	0.101	0.033	<u>1.940</u>

# REGIONAL SALES MULTIPLIERS

Sales Multipliers 2012	PMB	DURBAN	RICHARDS BAY	PORT SHEPSTONE	NEW CASTLE
PMB	<u>1.908</u>	0.341	0.057	0.031	0.031
DURBAN	0.229	<u>2.081</u>	0.305	0.088	0.075
RICHARDS BAY	0.055	0.547	<u>3.046</u>	0.044	0.075
PORT SHEPSTONE	0.161	0.485	0.189	<u>1.756</u>	0.070
NEW CASTLE	0.139	0.539	0.138	0.046	<u>1.969</u>

# REGIONAL PURCHASES MULTIPLIERS



# REGIONAL PURCHASES MULTIPLIERS

<b>Purchase Multipliers 2011</b>	PMB	DURBAN	RICHARDS BAY	PORT SHEPSTONE	NEW CASTLE
PMB	<b><u>1.992</u></b>	1.332	0.049	0.012	0.011
DURBAN	0.144	<b><u>3.341</u></b>	0.114	0.030	0.012
RICHARDS BAY	0.084	1.394	<b><u>2.048</u></b>	0.054	0.017
PORT SHEPSTONE	0.129	1.883	0.064	<b><u>4.149</u></b>	0.007
NEW CASTLE	0.159	2.269	0.115	0.073	<b><u>3.114</u></b>

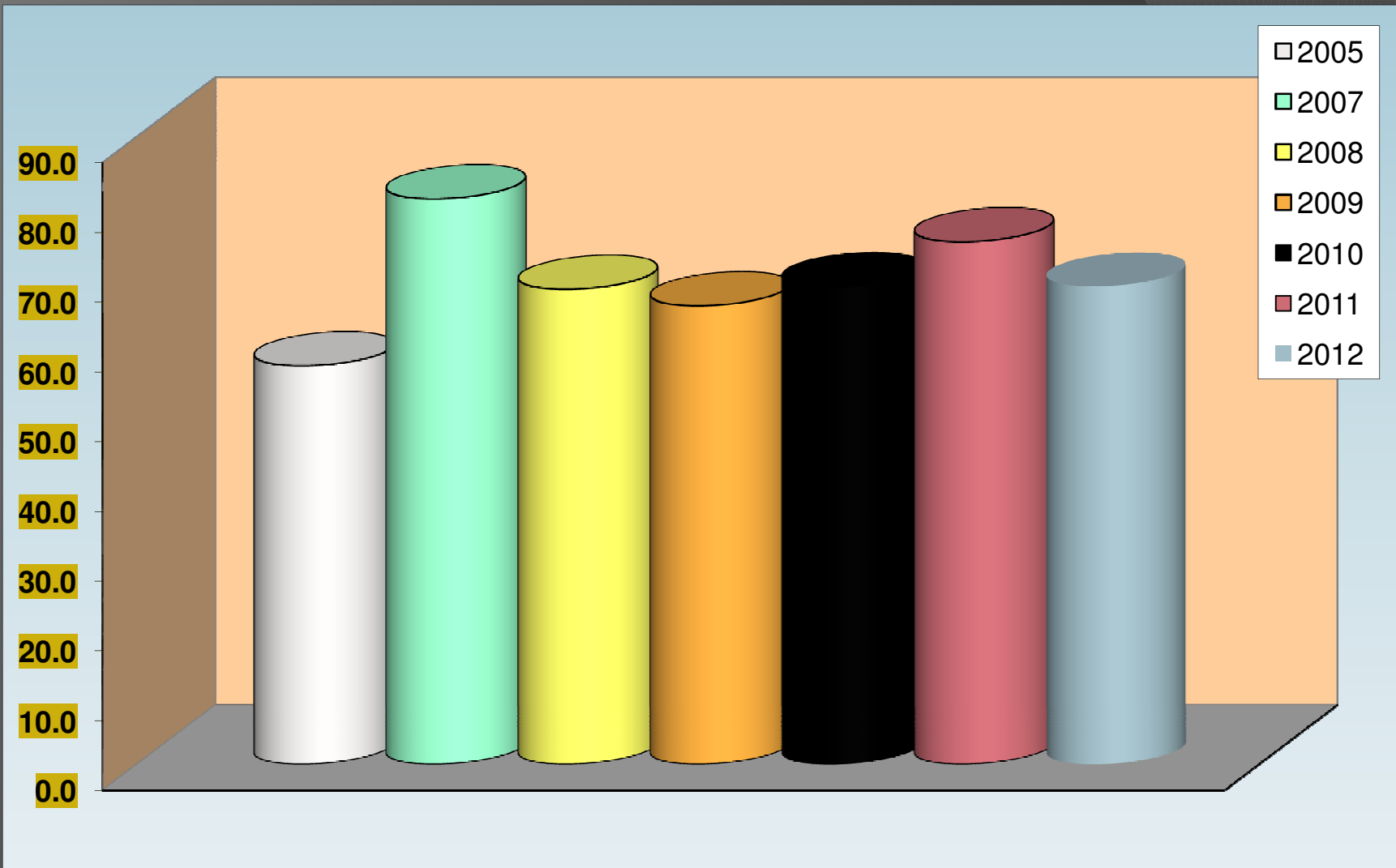
# REGIONAL PURCHASES MULTIPLIERS

Purchase Multipliers 2012	PMB	DURBAN	RICHARDS BAY	PORT SHEPSTONE	NEW CASTLE
PMB	<b><u>2.131</u></b>	1.666	0.066	0.062	0.006
DURBAN	0.238	<b><u>3.458</u></b>	0.138	0.128	0.012
RICHARDS BAY	0.042	1.259	<b><u>2.046</u></b>	0.059	0.020
PORT SHEPSTONE	0.018	1.580	0.055	<b><u>4.132</u></b>	0.012
NEW CASTLE	0.098	2.067	0.113	0.083	<b><u>3.118</u></b>

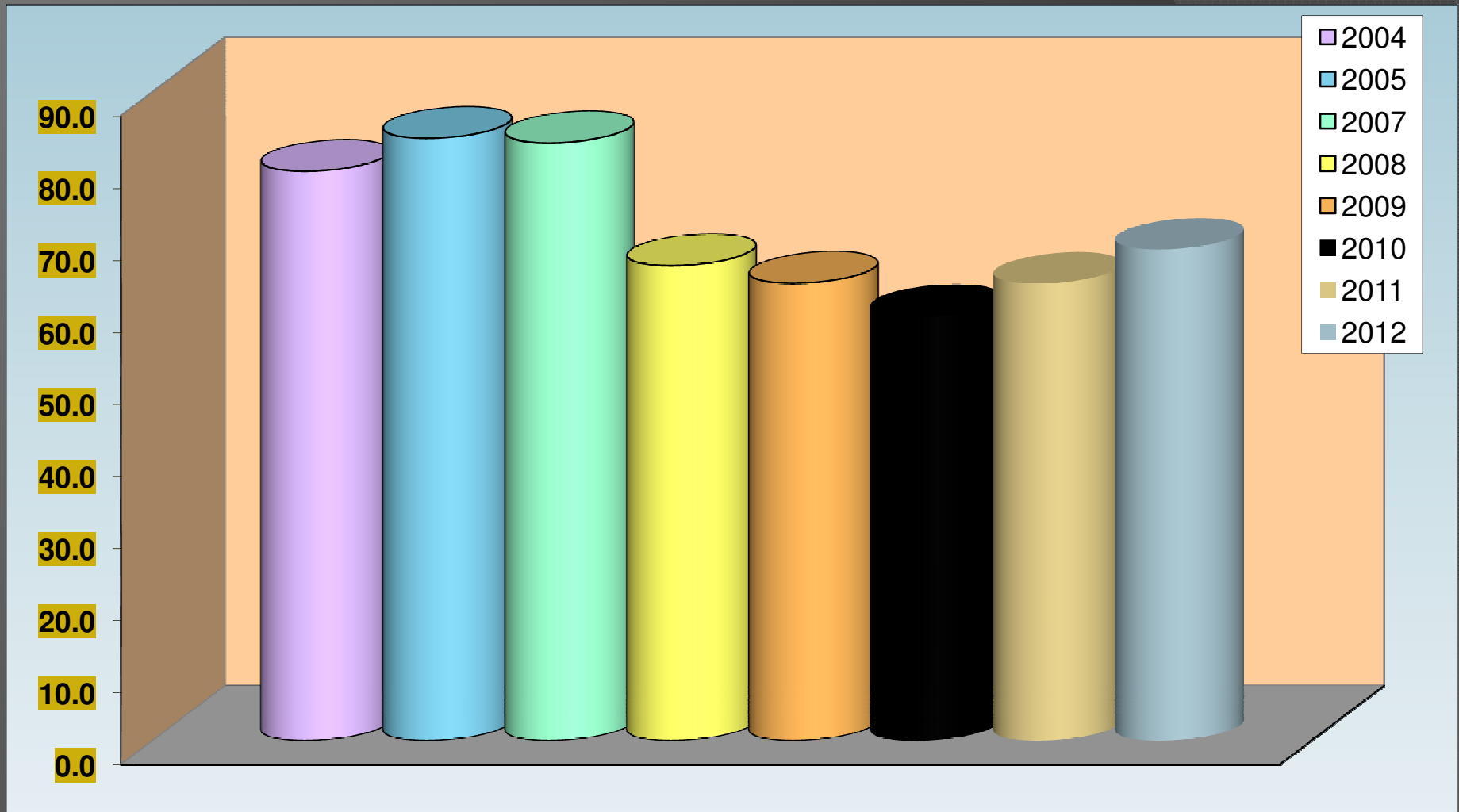
# BUSINESS CONFIDENCE SURVEY



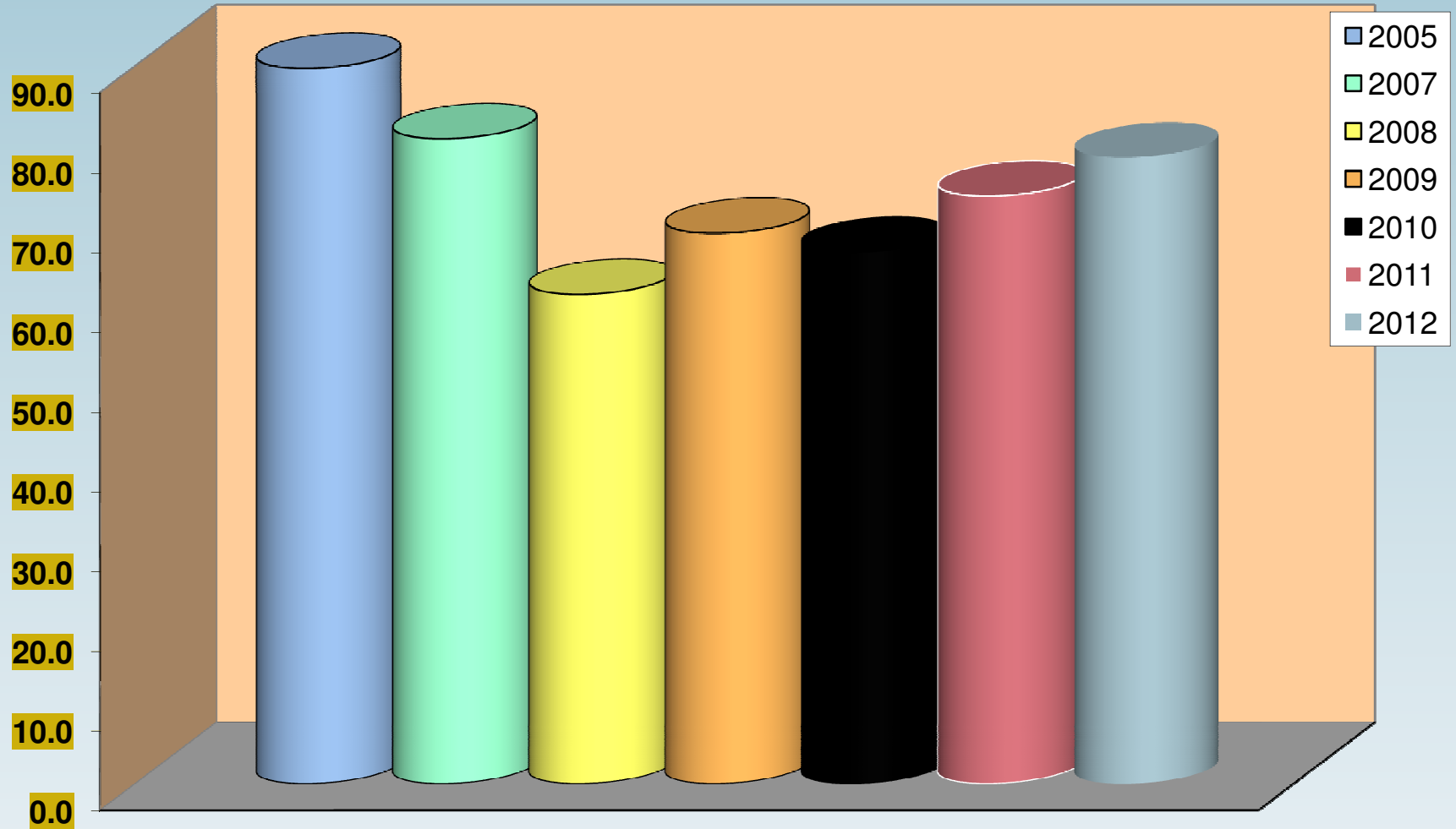
# BUSINESS SURVEY - DURBAN



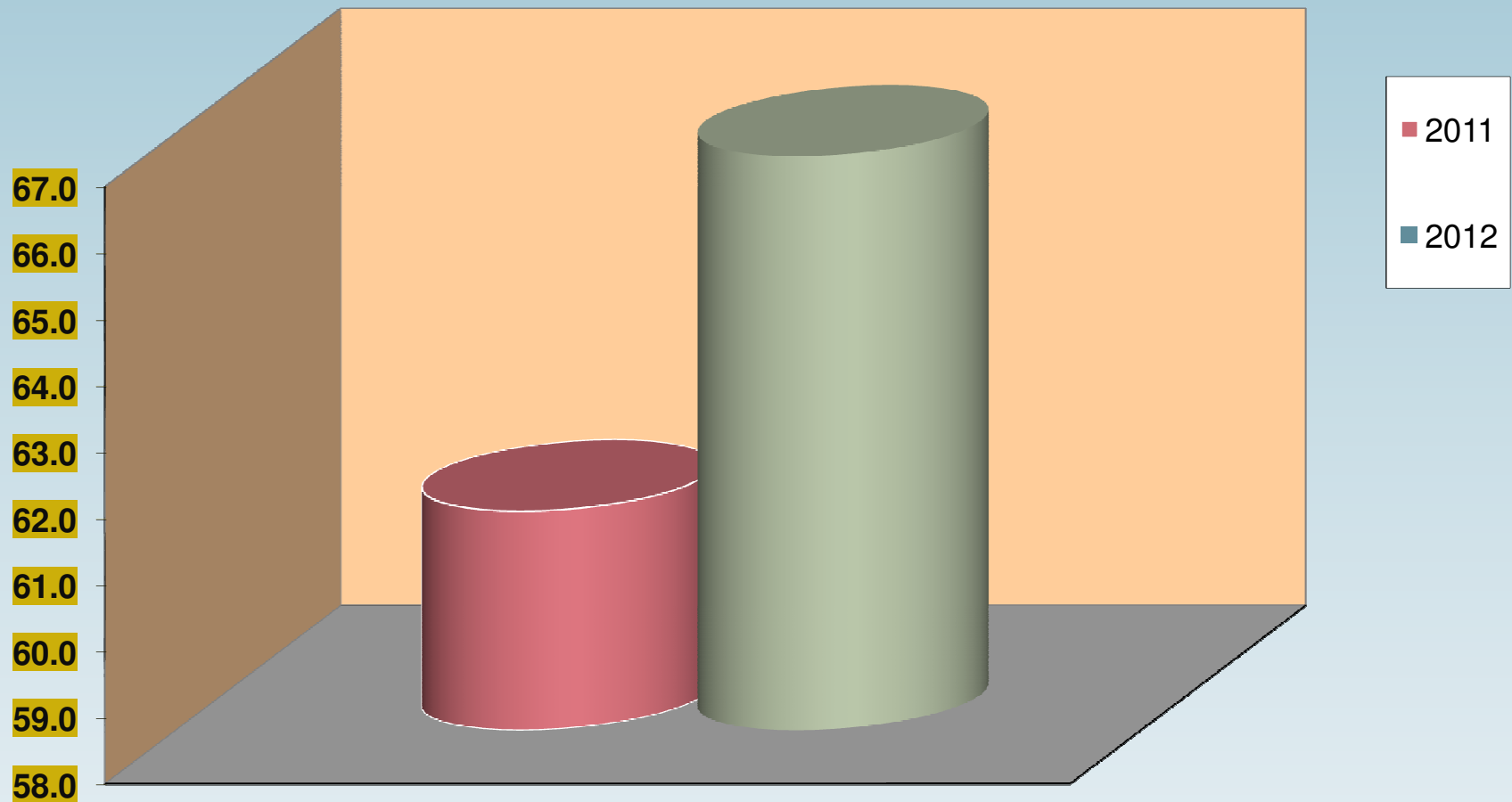
# BUSINESS SURVEY- PMB



# BUSINESS SURVEY- RICHARDS BAY



# BUSINESS SURVEY- PORT SHEPSTONE



# BUSINESS SURVEY- REST OF KZN

