

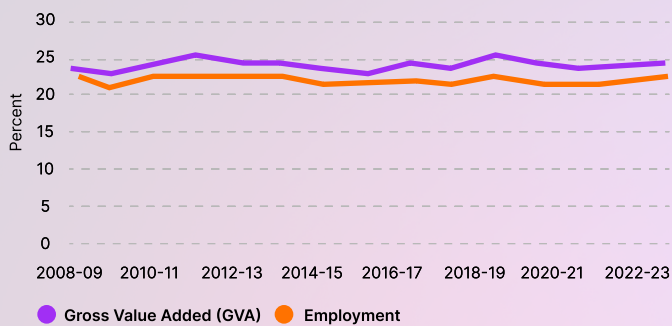
THE BIGGER PICTURE

Australia's Mid-Sized Businesses

March 2025 Insights Summary

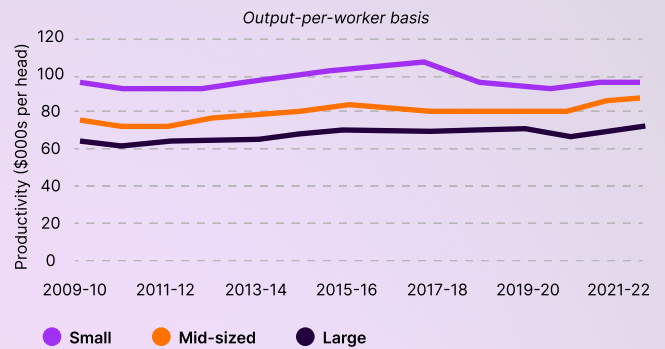
Mid-sized businesses in Australia are small in number, but large in impact, with this ambitious business segment accounting for a disproportionate share of the nation's economic activity. The significance of these businesses could be set to grow even further, with productivity growth amongst mid-sized businesses accelerating at a rate that outpaces both its larger and smaller business counterparts. Critical to this has been consistent investment in innovation – both through R&D to diversify their goods and services, and technologies to drive efficiencies in their own operations.

Mid-sized business contribution to the local economy: share of private-sector GVA and employment¹



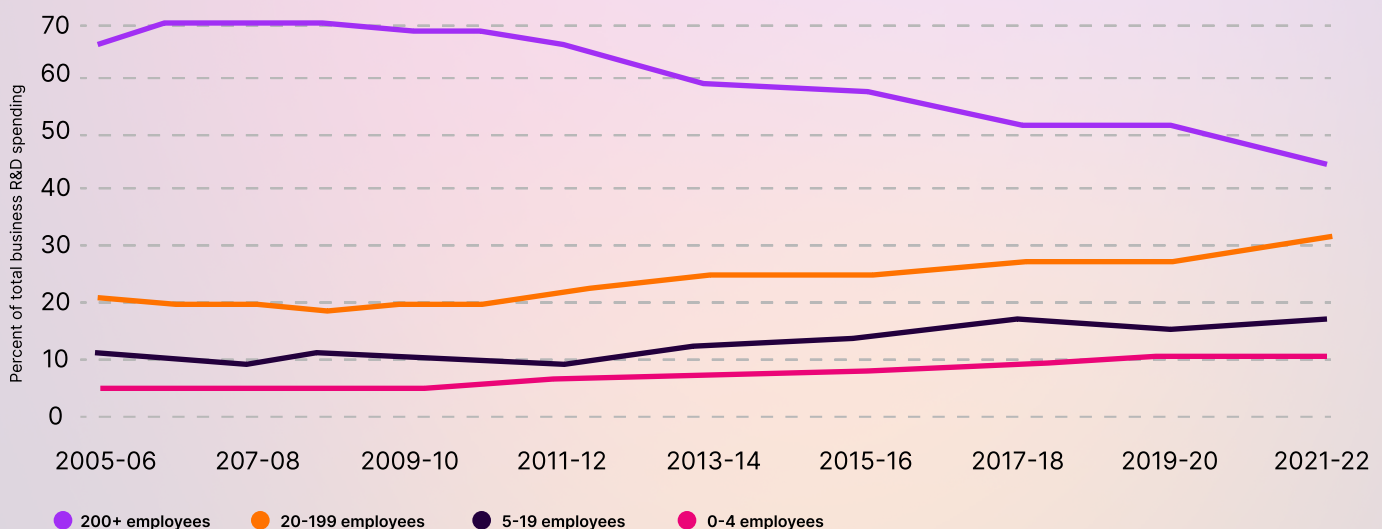
Source: ABS ¹ABS, Australian Industry, 2022-23

Business labour productivity (ex. the mining sector)



Source: ABS and Impact Economics calculations.

Business expenditure on R&D



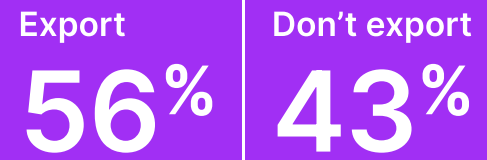
Source: ABS

Australian mid-sized businesses surveyed by MYOB are optimistic in their outlook in terms of revenue expectations and volume of work. As they take their performance and investment to the next level, both operating conditions and policy settings will play a crucial role.

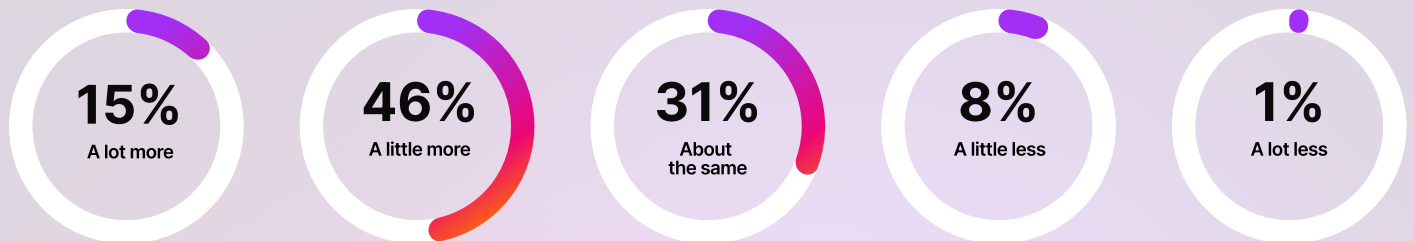
Business revenue expectations for 12 months' time (compared to now)



Proportion of mid-sized businesses that export their goods/services overseas



Volume of work/sales lined up for January - June compared to usual



Policies or actions that would positively impact business growth or success over the next five years (top four)*



81%

Improving relations with foreign governments (e.g. new trade agreements, reducing tariffs)



74%

Government-backed or government-subsidised loans for businesses to finance growth, innovation and digitisation



71%

Government support in the event of a cybersecurity incident



70%

Additional funding for skills and training in industries with critical skills gaps



70%

Government programs to support businesses to upskill digitally and build cyber resilience

*Respondents were able to select more than one option

About the findings

Impact Economics

Impact Economics and Policy brings together a group of expert economists and policy specialists with experience working for government, non-for-profits and big four consulting. Established at the start of 2022, their mission is to partner with clients for impact through providing robust evidence, fresh analysis, and strategic communication to tackle Australia's biggest public policy challenges.

MYOB Survey Methodology:

MYOB's survey of mid-sized businesses polled a representative sample of 515 business leaders and decision-makers (*with between 20-500 FTEs and \$5m+ annual revenue) in Australia. Research took place 6-30 January 2025 and was conducted by independent research agency, Dynata. Quotas were maintained on industry sector and business size/FTEs to ensure a reliable and diverse cross-section of business opinions from mid-sized businesses were obtained.

