

Saint Lucia Chamber of Commerce,
Industry & Agriculture

Business Performance Survey July 2022



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The results of the Chambers' Business Performance Survey have been tabulated. Many of the findings will not surprise the business community who are on the frontline of economic activity. Ever since the reopening of the economy after Covid-19 lockdowns, there has been a general uptick in economic activity as the economy seeks to return to a post covid-19 level sooner rather than later.

Business confidence appears to be on the rise with 66% of respondents forecasting increased turnover over the next twelve months while 71% of respondents forecast an increase in business profitability over the same period while only 29% report worsened cash flow relative to the previous quarter.

This optimism is however tempered by 78% of respondents forecasting an increase in prices of their goods or services over the next quarter, with 59% of respondents reporting an increase in prices over the previous quarter. There is clearly a threat of inflation which can derail, the expansion in consumption and economic activity that can lead to job creation. Global issues all appear to be conspiring against us.

61% of respondents face pressure to raise prices from the purchase price of goods, 59% from fuel, 59% from utilities and 41% from labour costs. With operating costs increasing firms have had little option but to pass on these increased costs in the form of higher prices to consumers.

It is clear that the global inflationary pressures are affecting business across the board and are forcing them to pass on these price increases to customers as fast as they come. Managing this phenomenon will continue to be ticklish. Policy interventions, once again, have to try and serve many masters. Post Covid-19 economic recovery will continue to pose serious challenges for both Government and Business for some time. With limited policy tools at its disposal, Government will have to find a way to balance its various priorities without unravelling the critical pistons of the society.

Business Confidence



54%

Report Better
Business
Performance in
2021 vs 2020

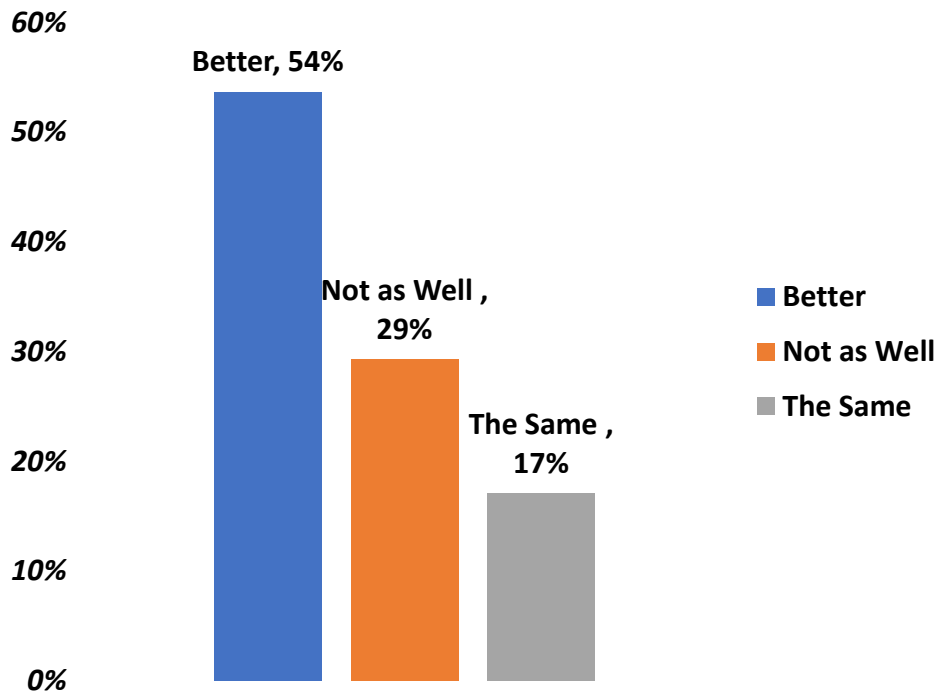


66%

Forecast
Increase
Turnover in
Next 12 Months

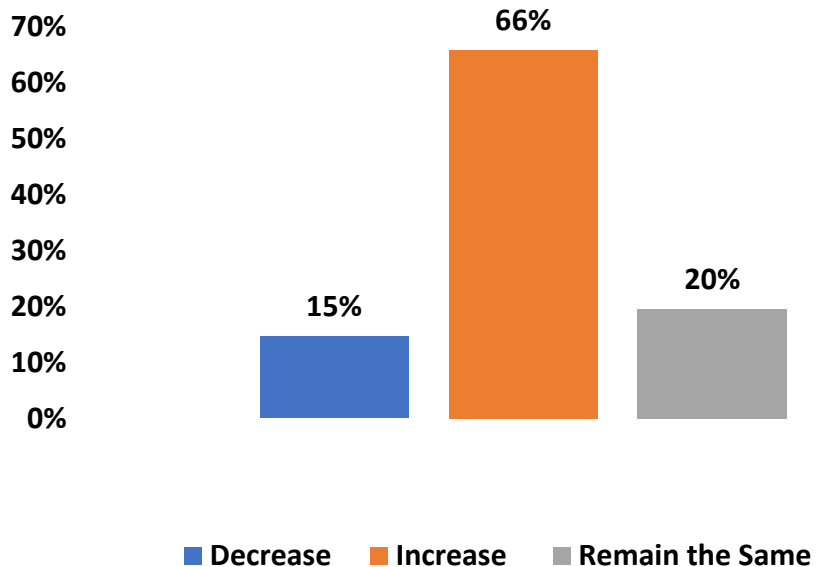


Business Performance 21 vs 20



Business Turnover in Next 12 months

Forecast on Changes in Business Turnover in Next 12 months





71%

Indicate that Cashflow Has Remained the Same or Improved in the last Quarter



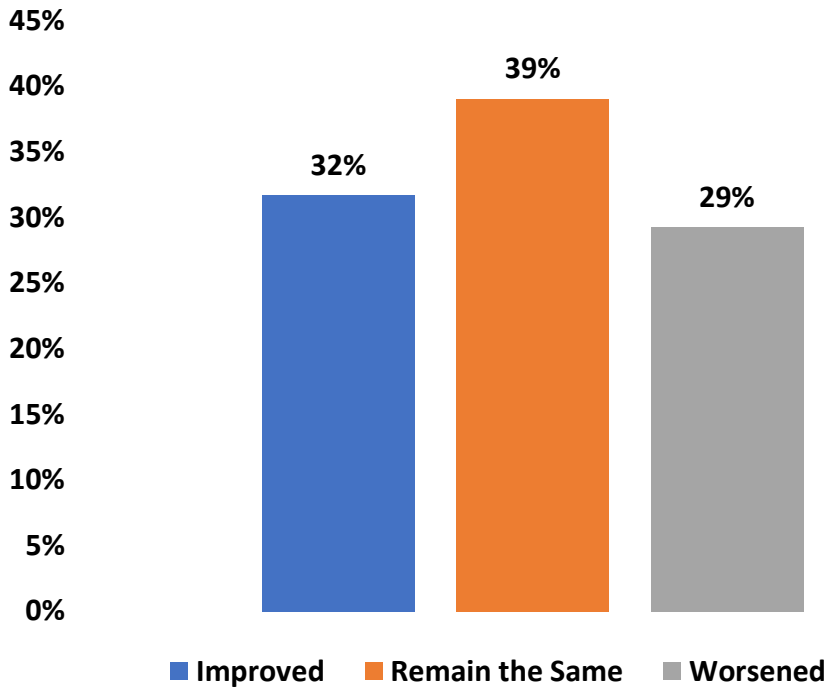
71%

Forecast Increase in Profitability Over Next 12 Months



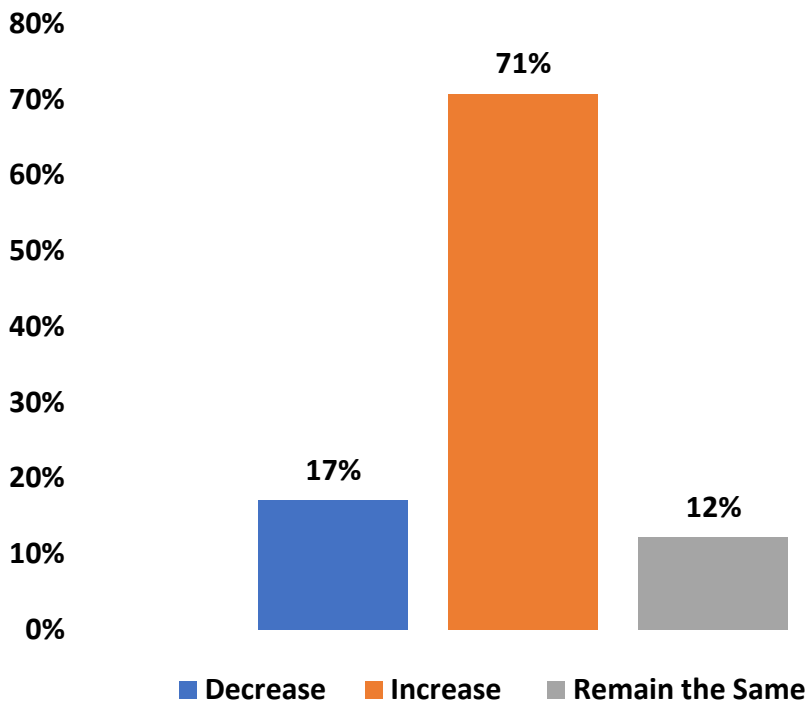
Business Confidence

Change in CashFlow over the last Quarter



Business Profitability In Next 12 months

Forecast for Profitability in Next 12 Mths



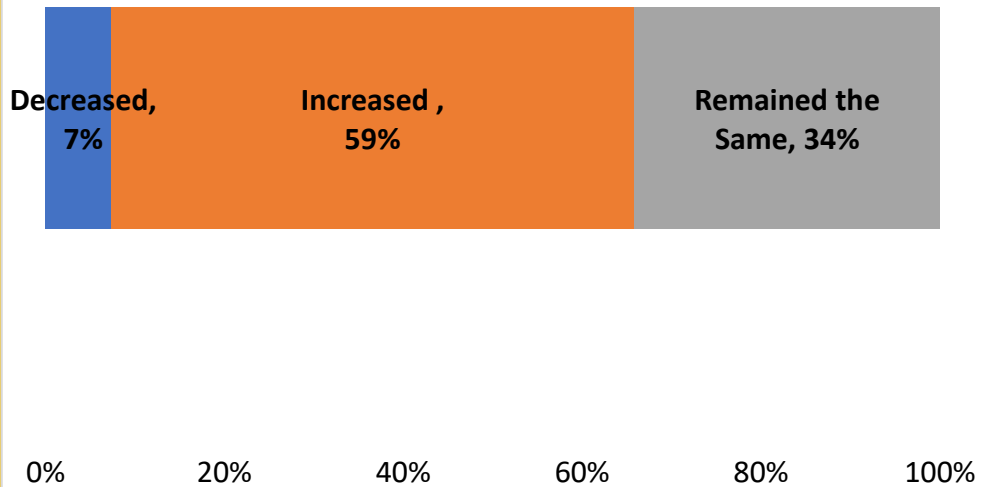
Prices & Business



59%

Of
Businesses
Report Price
Increases

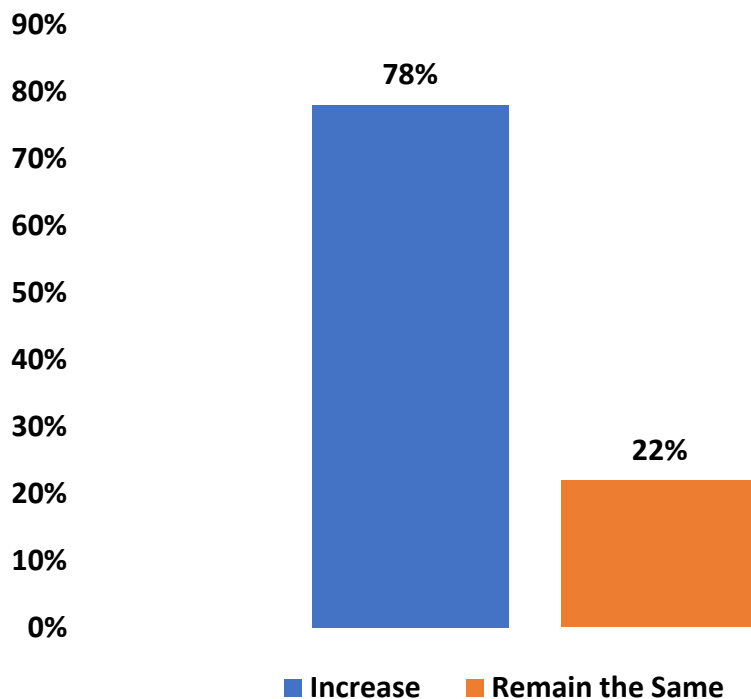
Price Changes in Last Three Months



78%
Of Business
Predict Future
Price Increases

Future Price Increases

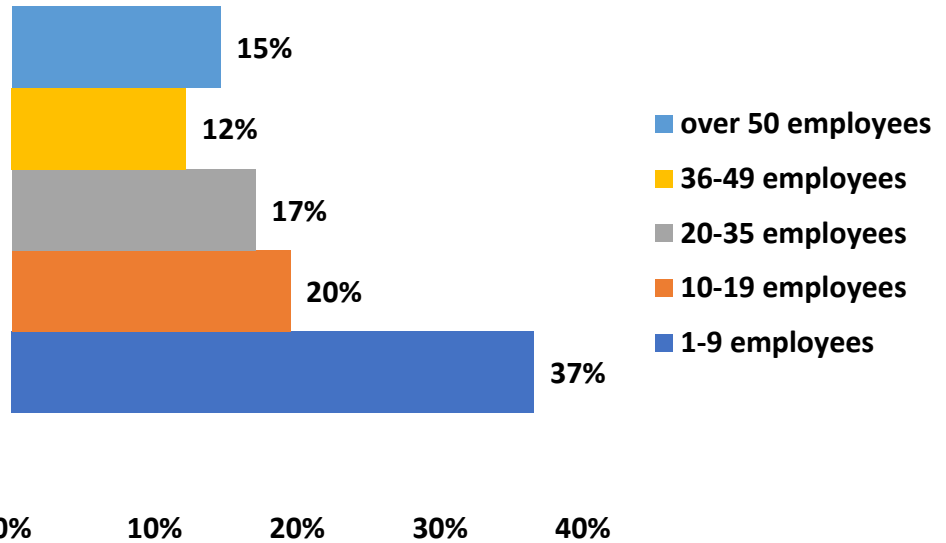
Price Change Forecast (3mths)



Workforce



Size Distribution of Respondents 2022



57%



Employ Less than 20 Employees

34%



Have Decreased Numbers of Staff Compared to Pre-Covid Staff Levels.



Staff Numbers in 2022 Relative to Pre-Covid



39% Of All Firms Surveyed Faced Difficulties In Recruiting Staff

24% Of Firms Who sought to Recruit Staff Faced Difficulties When Seeking To Recruit "Skilled Manual Or Technical Staff"

Business Performance Q4'21 vs Q4'20



51 %



Experienced
Decrease in
Revenue

57 %



Respondents
who are Small
Business

59%



Had No Change
in Employment
Numbers

Revenue

51%

Of Business
Experienced
Decrease in
Sales

= 9%

Of Businesses
Report Sales were
the Same in
Q4 21 vs Q4 20

39%

Of Businesses
Experienced
Increase in Sales
Q4 21 vs Q4 20

Sales

43%

Of Businesses
Experienced
Increase in Sales
Q4 21 vs Q4 20

= 12%

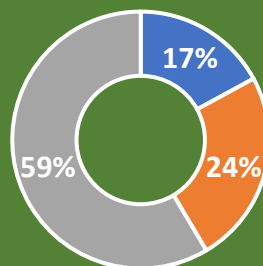
Of Businesses
Report Sales were
the Same in
Q4 21 vs Q4 20

43%

Of Business
Experienced
Decrease in
Sales

Workforce

Workforce Numbers Q4 2021 vs Q4 2020



■ Decrease ■ Increase ■ No Change



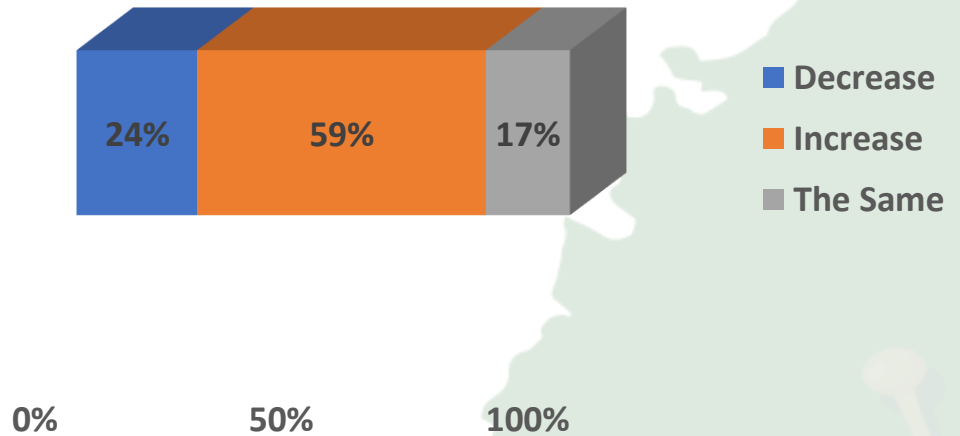
59% Report
Increase in
Revenue



59% of
Businesses
Forecast
Increased
Revenue

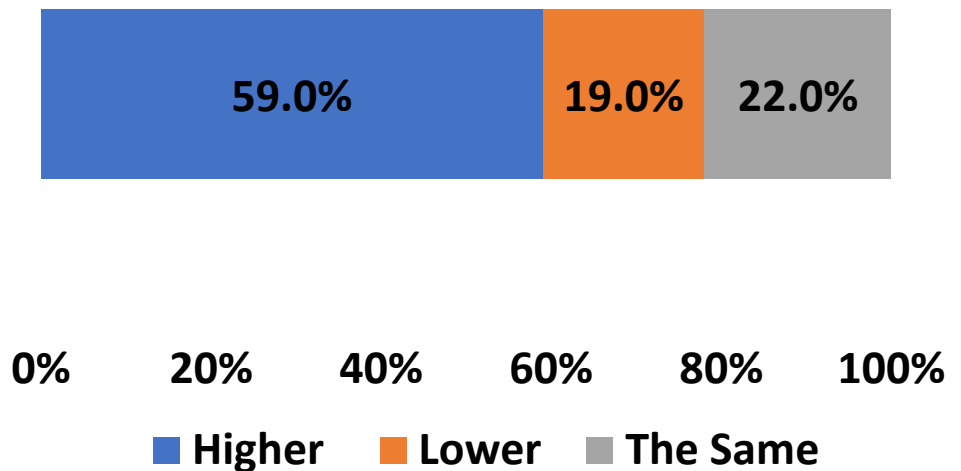
Revenue Performance Q1 22 vs Q2 '21

Revenue Performance
Jan- Mar 22 vs Jan -Mar 21



Forecast Revenue Performance Q2' 22 vs Q2 '21

Revenue Forecast Apr-Jun 22 vs
Apr-Jun 21





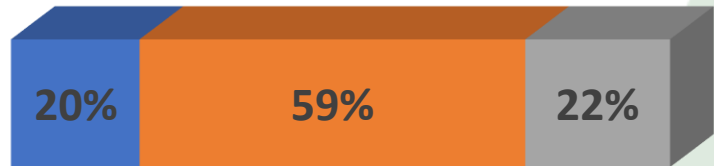
59% Report
Increase in Sales



80 % of
Businesses
Forecast the
Same or
Increased Sales

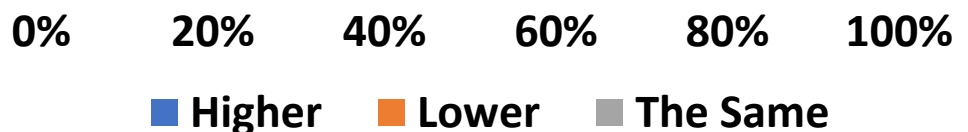
Sales Performance Q1 22 vs Q2 '21

Sales Performance Jan- Mar 22 vs Jan-Mar 21



Forecast Sales Q2' 22 vs Q2 '21

Sales Forecast Apr-Jun 22 vs Apr-Jun 21





83%

**Either Increased
or Kept
Workforce
Levels The Same**



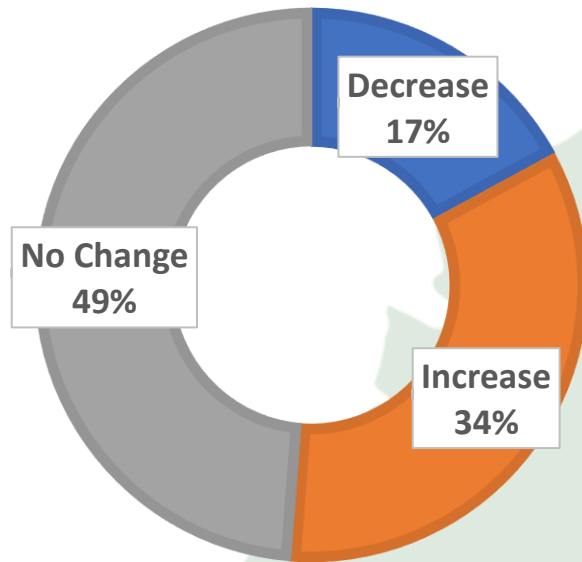
18% of

**Businesses Have
Decreased Staff
Levels**

Change in Workforce Q1 22 vs Q2 '21

WORKFORCE NUMBERS JAN-MAR 22 VS JAN-MAR 21

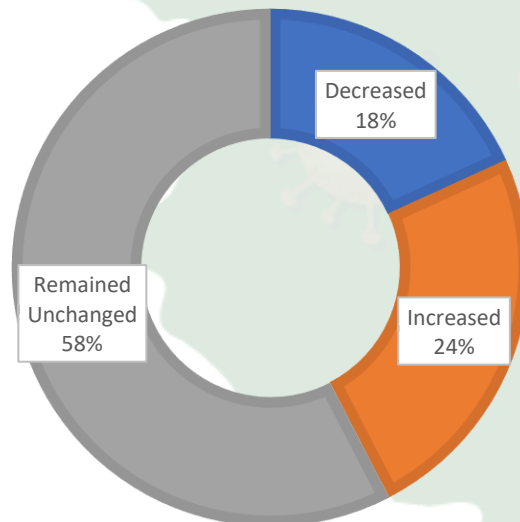
■ Decrease ■ Increase ■ No Change



Workforce Size in Last Quarter

CHART TITLE

■ Decreased ■ Increased ■ Remained Unchanged



61%

**Face Pressure
to Increase
Prices from
Purchase Price
of Good**

59%

From Fuel

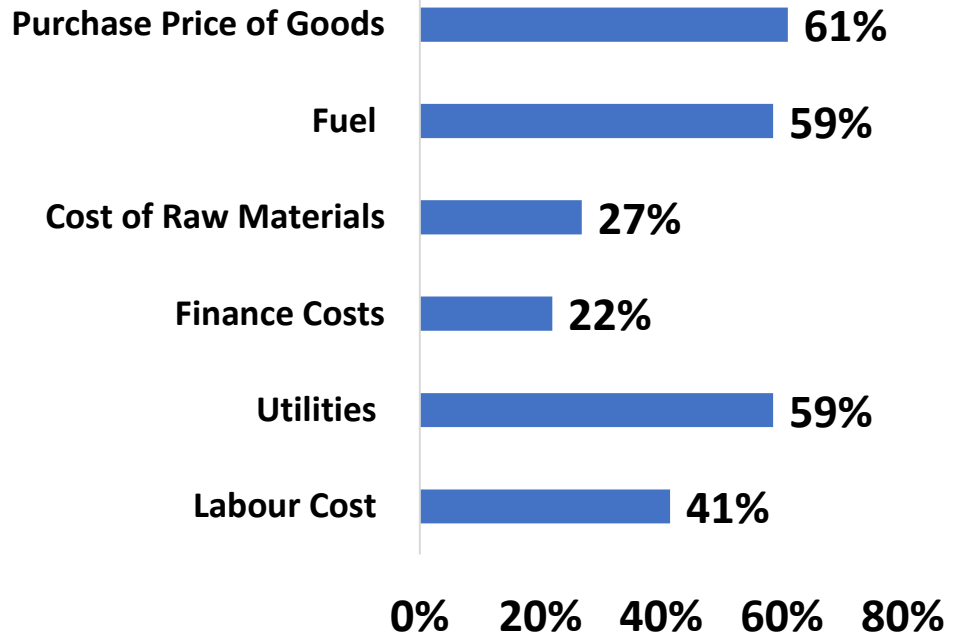
59%

**From
Utilities**



Factors Driving Price Increases

Factors Driving Price Increases



DETAILED ANALYSIS BY

(1) SECTOR: (1) Retail & Distribution, (2) Financial Services, (3) Professional Services, (4) Other Sectors and (5) Tourism & (6) Other Services.

And Number of Employees (SIZE)

WILL SHORTLY BE AVAILABLE TO MEMBERS ON REQUEST

