

Henry Sole Trader Pulse

New Zealand

June 2025



How the Hnry Sole Trader Pulse was conducted

Hnry commissioned Resolve Strategic to conduct polling to measure and regularly track the sentiment, views and experiences of sole traders in Australia and New Zealand. This report contains the results of the latest track in New Zealand, with methodology and topics as follows:

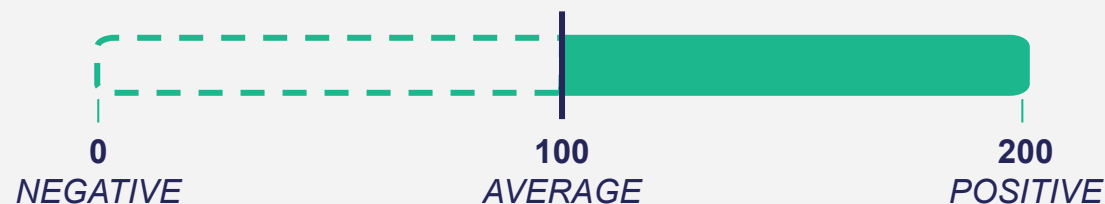
This Pulse was conducted between 2nd – 13th June 2025.

- The survey polled 502 sole traders across New Zealand, 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 pulse the poll also asked a series of ad hoc questions financial and tax affairs, government performance, business performance and conditions.

How the Hnry 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

June 2025 Sole Trader Pulse Overview - NZ

	<i>LAST PULSE (Mar 2025)</i>	<i>AUS PULSE (Jun 2025)</i>	<i>TOTAL (Jun 2025)</i>	<i>INDUSTRY</i>						<i>BUSINESS TENURE</i>			<i>GENDER</i>	
	<i>Index Result</i>	<i>Index Result</i>	<i>Index Result</i>	<i>Tradie</i>	<i>Freelancer / Creative</i>	<i>Consultant</i>	<i>Contractor</i>	<i>Health / Wellness</i>	<i>Others</i>	<i>< 2 years</i>	<i>3-10 years</i>	<i>11+ years</i>	<i>Males</i>	<i>Females</i>
Past Financial Performance														
Financial Performance - Last Quarter	110	115	118	129	116	110	139	138	96	116	129	107	113	126
Current / Future Financial Performance														
Financial Performance Right Now	109	115	116	135	102	106	134	134	96	120	126	99	115	119
Financial Performance Next Quarter	122	127	132	146	126	128	150	132	111	142	141	109	127	138
Business & Economic Conditions														
Health of the Economy Right Now	78	80	86	105	75	93	84	107	73	90	117	71	85	86
Health of the Economy in 6 Months	102	92	104	115	88	102	115	126	99	108	111	90	103	104
Personal Factors														
Personal Satisfaction and Enjoyment	145	148	150	143	149	146	161	158	151	150	154	145	148	154
Wellbeing	131	132	143	139	143	140	152	152	141	144	146	140	140	137
Work-life balance	153	153	153	144	157	153	162	164	140	154	156	149	151	156
Financial Security	118	119	128	137	123	130	144	134	113	128	135	115	130	126
Job Security	133	123	137	133	137	135	148	143	130	138	139	132	138	136
Total Index	120	120	126	134	119	123	138	142	118	127	131	120	125	128

Executive Summary (1/4)

- **NZ sole traders have become more optimistic for the first time in a year, surpassing their Australian counterparts in sentiment.**
 - For the first time in a year, the overall index of NZ sole trader views and experiences is showing a modest improvement - the total index has risen to 126, up from 120 in March.
 - Improvements are felt across the board, but particularly significant is an uptick in financial performance, especially expectations of the next quarter (future financial performance index is 132, up from 122 in March 2025) and feelings of financial security (financial security index is 128, up from 118 in March 2025).
 - These results are felt fairly uniformly over the various sole trader types surveyed, though contractors and health and wellness sole traders do seem a little more positive than others (Contractor index: 138; Health and Wellness index: 142), while older businesses are more likely to be feeling the pinch (Index for sole traders in business for 11+ years: 120).
 - Factoring in drops in Australia, the NZ total index now sits above them, making NZ sole traders more optimistic than their Australian counterparts for the first time since tracking began.
- **More than half of NZ sole traders reported income growth this quarter — the strongest net gain in 12 months — marking a sharp turnaround from March and outpacing the recent gains seen in Australia**
 - There is an observable uptick in the reporting income for this quarter, with more than half (54%, up from 40% in March 2025) saying their income has improved and just less than a quarter (24%) reporting it declined, whereas these figures were equal in March.
 - Feelings of 'good' financial security have equalled their previous high in October last year, with 50% of sole traders reporting this. These are significantly higher than financial security ratings of Australian sole traders - again, for the first time.

Executive Summary (2/4)

- **Economic sentiment among sole traders remains cautious despite improved financial performance with Wellington sole traders particularly pessimistic.**
 - Despite the overall optimism and the improvement in financial performance, the economic outlook remains cautious, with only 33% expecting the economy to improve in the next 6 months.
 - Wellington sole traders are more likely to think things will get worse than better over the coming 6 months, with only 25% stating that they expect the economy to get better over this horizon.
 - Sole Traders expect interest rates are more likely to be stable or go down further than rise (only 26% believe that interest rates will climb).
 - Interest rate cuts have financially benefited almost a fifth of all sole traders (17%) while a further 48% say it has helped give them confidence, e.g. by customers having more money to spend.
- **While inflationary pressure remains high, easing cost burdens and strong customer loyalty are helping to sustain sole trader confidence.**
 - Sole traders still believe that inflationary pressures will remain (79% believed that inflation will either increase or remain the same)
 - As a result of inflation, sole traders are having to pay themselves more (77%), pay more for supplies and services (71%), trying to cut costs including via technology (69%) and finding business getting tighter generally (69%).
 - However, most still have a loyal customer base (79%) and are making a profit (66%), with improvements in cost-cutting (69%, down from 78% in March 2025), the impacts of fuel prices (50%, down from 60% in March 2025) and having to seek paid employment (38%, down from 56% in March 2025) suggesting the pressure is coming off.
- **Sole traders are still making a conscious decision to be self employed and avoid working for a larger company.**
 - As we have confirmed in previous pulses, we observe in this one that many sole traders (73%) have conscious choice to avoid working for an employer (a larger company), even among those who have such a second job.
 - The main drivers of this include flexibility in the way they work (76%) and control over business direction (53%), having responsibility for business performance (29% and being able to deal with customers and suppliers directly (21%).

Executive Summary (3/4)

- **Perceptions of the National-led government have improved modestly, but most sole traders still see little to no business impact.**
 - The National-led government's performance rating has improved, although less than half (46%, up from 37% in March 2025) saying they have performed well since being elected.
 - The overall view of their tenure is at best neutral, with half (48%) saying that the National-led government has had little to no effect on their sole trading business, and only a fifth (20%) saying that it has had a positive impact.
- **The 2025 Budget has drawn criticism from sole traders, with widespread opposition to the KiwiSaver co-contribution cut and concern over its long-term impact.**
 - Only 14% of sole traders said the most recent budget said it would benefit them, and 52% opposing the KiwiSaver co-contribution cut.
 - The majority (83%) are aware of the KiwiSaver change, and 43% say it will alter their saving behaviour – indicating a long-term policy risk for retirement adequacy among sole traders.
 - It's certainly seen as a disadvantaging policy in any case, with less than a fifth (19%) supporting the policy shift and more than half (52%) actively opposing it.
- **NZ sole traders are increasingly moving away from traditional accountants in favour of more affordable, tech-enabled financial tools.**
 - There has been no great shift in the methods used to cope with financial and tax affairs since the March 2025 pulse, though we begin to see the use of accountants drop as we get further away from EOFY, which is earlier than usual (we normally start to witness this in the October pulse).
 - There is an observable shift from accountants to less expensive solutions over the long-term. Use of accountants has dropped to 41% – the lowest level in any June pulse. App usage has held steady at 30%, with 14% using both an app and an accountant.
 - Use of software solutions is more advanced here than in Australia (where only 19% report that they are using a program / app to manage financial affairs), though in a similar way 14% report using both a program / app and an accountant.

Executive Summary (4/4)

- **Sole traders spend significant time and money on admin, but those using apps—especially Hnry—enjoy major savings.**
 - Sole traders are spending an average of 5 hours per week and \$325 per month managing their tax and financial administration. In fact those using apps (only) reported spending around \$124 on this on average a month – less than half that of other sole traders – whereas this rises to \$347 for anyone using apps in general (often combined with paid help).
- **While most NZ sole traders haven't yet submitted their tax return, few feel stressed—though uncertainty remains a key issue for many.**
 - About half (54%) of NZ sole traders have not yet submitted their tax return; a fifth haven't even started preparing. Those using accountants are most likely to delay, likely due to managing multiple clients close to the July deadline.
 - Most sole traders who haven't submitted their return do not feel stressed (69%), consistent with past years. The main sources of stress are uncertainty about tax owed or rebates, confusion over what can be claimed, and tracking receipts and meeting deadlines. Solutions like Hnry play a critical role in helping with these and other points.