



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

# Location of Australia's small businesses – regional and metropolitan areas

*February 2024*

## Location of Australia's small businesses – regional and metropolitan areas

This data presents Australia's small businesses according to their regional or metropolitan area classification, focusing on numbers and locations.

### Key findings for the year to 30 June 2023

- Of the 2.5 million small businesses in Australia, 69% (1.7 million) were in a greater capital city area and 31% in a regional area. This is consistent with the distribution of the Australian population, with 67% of all Australians living in the greater capital city areas<sup>1</sup>.
- Queensland and Tasmania are the only states or territories where most small businesses are located in regional areas.
- The number of small businesses increased in all states and territories except Victoria and external Other Territories. Victoria's decrease can be attributed to a decrease in the number of small businesses in Greater Melbourne. The number of small businesses also fell in Other Territories (Christmas Island, Cocos (Keeling) Islands, Jervis Bay, Norfolk Island).
- The strongest growth (in percentage terms) in the number of small businesses in greater capital city areas occurred in the Australian Capital Territory (3.3%) and Greater Hobart (3.0%) over the year to 30 June 2023. The main contributors to these increases were the Professional, scientific and technical services and Transport, postal and warehousing industries.
- The number of small businesses in regional areas increased in all states and territories. The strongest growth (in percentage terms) occurred in regional Queensland, New South Wales and Western Australia.

### Chart 1: Small business by location, 30 June 2023

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<sup>1</sup> Source: Australian Bureau of Statistics, *Regional Population 2021-22*, Accessed 11 January 2024.



Source: Based on *Australian Bureau of Statistics*, customised data, 2023.

Chart 2: Proportion of small businesses in capital cities and regional areas, 30 June 2023.



Note: This graph does not include the ACT because the Australian Statistical Geography Standard (ASGS) only has one Greater Capital City Area for the entire Territory. Further information on the ASGS is available from the Australian Bureau of Statistics. Information on regions in the ACT is available on the [Location of Australia’s small businesses by states and territory page](#).

Source: Based on Australian Bureau of Statistics, customised data, 2023.

As shown in the chart above, Queensland and Tasmania were the only states with a higher proportion of small businesses in regional areas than capital cities on 30 June 2023.

**Table 1: Number of small businesses in greater capital city areas, 30 June 2023**

Number of employees	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Australian Capital Territory <sup>1</sup>
Non-employing	357,626	367,022	136,806	80,353	125,236	11,347	7,066	19,524

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1-4 employees <sup>2</sup>	188,702	140,309	63,392	26,896	47,140	4,804	3,013	10,911
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5-19 employees	48,527	43,626	21,420	11,095	18,303	2,126	1,375	3,557
Small businesses (0-19 employees) <sup>3</sup>	594,855	550,957	221,618	118,344	190,679	18,277	11,454	33,992
20-99 employees	12,286	11,920	5,792	2,982	5,226	534	413	977
100-199 employees	1,293	1,135	515	221	422	38	24	75
200+ employees	702	626	271	157	279	20	9	54
<b>Total</b>	<b>609,136</b>	<b>564,638</b>	<b>228,196</b>	<b>121,704</b>	<b>196,606</b>	<b>18,869</b>	<b>11,900</b>	<b>35,098</b>

<sup>1</sup>There is only one Greater Capital City Area for the entire Territory. Further information on the ASGS is available from the Australian Bureau of Statistics. Information on regions in the ACT is available on the [Australia's small businesses by region - states and territories page](#).

<sup>2</sup>This includes a small number of businesses which have income tax withholding roles for purposes other than withholding amounts from wages and salaries (and as such have zero employment).

<sup>3</sup>Calculated by ASBFEO based on the ABS definition of small business of 0-19 employees.

**Source:** Based on *Australian Bureau of Statistics*, customised data, 2023.

As shown in the table above, there were over 1.7 million small businesses in greater capital city areas on 30 June 2023. Greater Sydney had the highest concentration of small businesses, accounting for 97.7% of all businesses in the area.

The number of small businesses increased in all greater capital city areas, except Greater Melbourne (where they fell 1.8%) over the year to 30 June 2023. The main contributors to Melbourne's decrease were the Construction, Administrative and support services and Other services (such as personal, repair and maintenance services).

The strongest growth in the number of small businesses (in percentage terms) occurred in the Australian Capital Territory (3.3%) and Greater Hobart (3.0%) over the year to 30 June 2023. The main contributors to these increases were the Professional, scientific and technical services and Transport, postal and warehousing industries.

**Table 2: Number of small businesses in regional areas, 30 June 2023**

Number of employees	Regional NSW	Regional Vic	Regional Qld	Regional SA	Regional WA	Regional Tas	Regional NT	Other Territories <sup>1</sup>
Non-Employing	148,516	92,901	161,980	23,052	29,295	14,484	2,168	1,704

1-4 employees <sup>2</sup>	74,202	40,348	71,640	9,411	12,879	6,266	970	172
5-19 employees	26,461	14,770	26,011	3,941	5,458	2,907	591	10
<i>Small businesses (0-19 employees)<sup>3</sup></i>	<i>249,179</i>	<i>148,019</i>	<i>259,631</i>	<i>36,404</i>	<i>47,632</i>	<i>23,657</i>	<i>3,729</i>	<i>1,886</i>
20-99 employees	5,549	3,122	6,341	691	1,306	671	171	0
100-199 employees	327	213	424	35	56	46	8	0
200+ employees	129	110	226	13	39	25	4	0
<b>Total</b>	<b>255,184</b>	<b>151,464</b>	<b>266,622</b>	<b>37,143</b>	<b>49,033</b>	<b>24,399</b>	<b>3,912</b>	<b>1,888</b>

<sup>1</sup> Businesses in Christmas Island, Cocos (Keeling) Islands, Jervis Bay, Norfolk Island.

<sup>2</sup> This includes a small number of businesses which have income tax withholding roles for purposes other than withholding amounts from wages and salaries (and as such have zero employment).

<sup>3</sup> Calculated by ASBFEO based on the ABS definition of small business of 0-19 employees.

**Source:** Based on *Australian Bureau of Statistics*, customised data, 2023.

As shown in the table above, there were over 770,000 small businesses in regional areas on 30 June 2023. Other Territories and Regional South Australia had the highest concentration of small businesses.

The number of small businesses in regional areas increased in all states and most territories over the year to 30 June 2023. The strongest increases (in percentage terms) occurred in:

- rest of Queensland (2.2%). The main contributors to this increase were the healthcare and social assistance and construction industries.
- rest of New South Wales (1.5%). The main contributors to this increase were the construction and healthcare and social assistance.
- rest of Western Australia (1.5%). The main contributors to this increase were the construction and other services (such as personal, repair and maintenance services).

The number of small businesses in External territories (Other Territories) fell 7.5%. These territories include Christmas Island, Cocos (Keeling) Islands, Jervis Bay and Norfolk Island. More granular information on this trend is not available in this instance.

### Data notes:

This data excludes businesses not registered for GST. The Australian Bureau of Statistics adjust cells to avoid the release of confidential information, so cells may not add up to totals. Exercise care when analysing small numbers. For further information see *Australian Bureau of Statistics, Counts of Australian Businesses, Including Entries and Exits methodology*.

Regional areas are locations outside the Greater Capital City Area. Further information on the Australian Statistical Geography Standard is available from the Australian Bureau of Statistics.