



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

February 2024





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

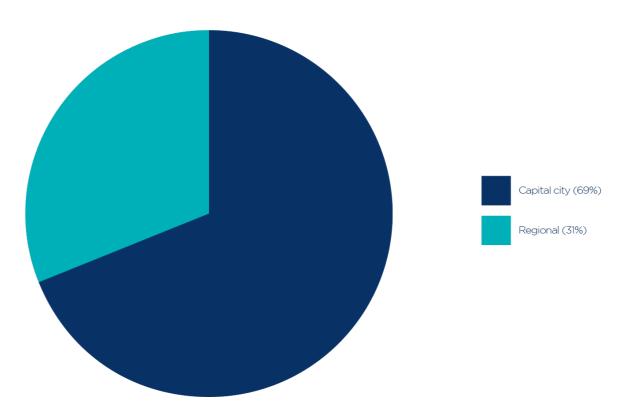
Key findings for the year to 30 June 2023

- 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 areas¹.
- 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

¹ Source: Australian Bureau of Statistics, Regional Population 2021-22, Accessed 11 January 2024.



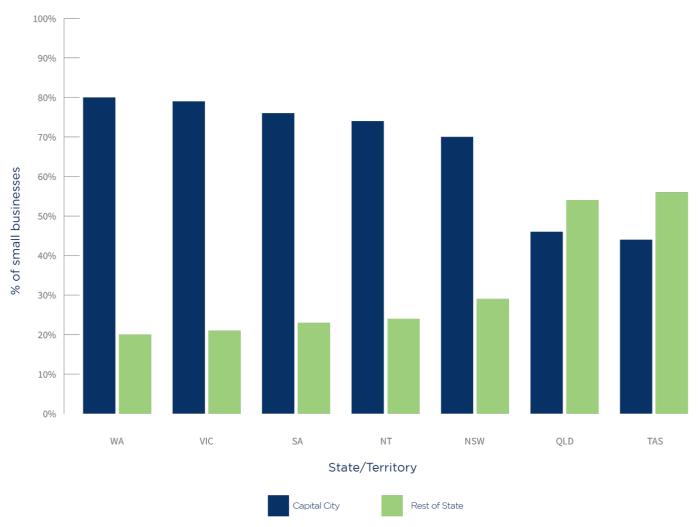


Source: Based on *Australian Bureau of Statistics*, customised data, 2023.

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 ¹ |
|---------------------|---------|-----------|----------|----------|---------|--------|--------|---|
| Non- employing | 357,626 | 367,022 | 136,806 | 80,353 | 125,236 | 11,347 | 7,066 | 19,524 |





| employees ² 100,702 140,505 03,552 20,650 47,140 4,664 5,615 10,511 |
|--|
|--|





| 5-19 employees | 48,527 | 43,626 | 21,420 | 11,095 | 18,303 | 2,126 | 1,375 | 3,557 |
|---|---------|---------|---------|---------|---------|--------|--------|--------|
| Small businesses (0- 19 employees) ³ | 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 |
| Total | 609,136 | 564,638 | 228,196 | 121,704 | 196,606 | 18,869 | 11,900 | 35,098 |

¹There 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 <u>Australia's small businesses by region - states and territories page</u>.

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 | Other |
|---------------------|----------|----------|----------|----------|----------|----------|----------|--------------------------|
| | NSW | Vic | Qld | SA | WA | Tas | NT | Territories ¹ |
| Non- Employing | 148,516 | 92,901 | 161,980 | 23,052 | 29,295 | 14,484 | 2,168 | 1,704 |

²This 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).

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





| 1-4 employees ² | 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 |
| Small businesses (0-19 employees) ³ | 249,179 | 148,019 | 259,631 | 36,404 | 47,632 | 23,657 | 3,729 | 1,886 |
| 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 |
| Total | 255,184 | 151,464 | 266,622 | 37,143 | 49,033 | 24,399 | 3,912 | 1,888 |

¹Businesses in Christmas Island, Cocos (Keeling) Islands, Jervis Bay, Norfolk Island.

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.

²This 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).

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





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.