# Northern Territory business count 2019

The Northern Territory (NT) had 14 776 actively trading businesses at June 2019, comprising 0.62% of total actively trading businesses in Australia.

The highest number of operating businesses was in New South Wales. This was followed by Victoria, Queensland, Western Australia, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.

## Business counts

There were 14 776 actively operating businesses in the NT at June 2019, an increase of 297 business (2.1%) compared with June 2018.

In June 2019, the NT had 14 776 trading businesses, compared with 14 479 businesses in June 2018 and 14 442 businesses in June 2017.

There were 2 375 753 actively operating businesses in Australia at June 2019, an increase of 62 462 businesses (2.7%) from June 2018.

## Business entry, exit and survival

In 2018-19, the entry rate for businesses in the NT was 14.9%, lower than the national average of 15.4%.

The highest entry rate was in the Australian Capital Territory (18.5%) followed by Victoria (16.4%) and New South Wales (15.8%). Tasmania had the lowest entry rate of 12.7%.

### Business count (actively trading), June 2019

National count: 2 375 753

Currently not distributed: 1460



*Source: ABS Cat No 8165.0*

### Number and growth of NT businesses



*Source: ABS Cat No 8165.0*

In 2018-19, the exit rate for NT was 12.4%, lower than the entry rate and resulting in an increase in the number of overall businesses. The NT had the third lowest exit rate while Tasmania had the highest (13.3%). Nationally, the exit rate was 12.7%.

Of the 14 234 businesses operating in June 2015 in the NT, 86.9% were still operating in June 2016, 77.6% survived to June 2017, 69.9% were still operating in June 2018 and 64.1% survived to June 2019.

Nationally, 64.9% of the businesses operating in June 2015 survived to June 2019.

Of the businesses operating in June 2015, the highest survival rate in June 2019 was recorded in Tasmania (68.4%), followed by South Australia (67.4%). The lowest survival rate was in the ACT (62.0%).

In June 2016, the Territory had 2008 business entries and of these 75.0% survived to June 2017, 58.0% survived to June 2018 and 49.0% survived to June 2019. Nationally, the survival rate in June 2019 of business entries in 2015-16 was 53.6%.

## Business size

Australian Bureau of Statistics (ABS) defines business size by level of employment as follows:

* Small business : 0-19 employees
* Medium business: 20-199 employees
* Large business: 200+ employees

The majority of actively trading businesses in the NT are small. In June 2019, 95.5% were small businesses, 4.3% were medium businesses and 0.2% were large businesses. Nationally, 97.4% of the businesses were small.

### Business entry and exit rates, June 2019



*Source: ABS Cat No 8165.0*

### NT business size, June 2019



*Source: ABS Cat No 8165.0*

Of the small businesses in the NT, 62.3% were non employing businesses, 24.2% had 1-4 employees and 13.5% had between 5-19 employees.

The non-employing businesses as a percentage of total number of businesses in the NT accounted for 59.8%.

## Business numbers - industry sector distribution

In June 2019, the ‘Construction” industry had the highest number of businesses operating in the NT with 19.8% of total businesses. This was followed by ‘Rental, Hiring and Real Estate Services’ (13.0%); ‘Professional, Scientific and Technical Services’ (9.6%); ‘Transport, Postal and Warehousing’ (8.0%); ‘Retail Trade’ (6.1%) and ‘Finance and Insurance Services’ (6.1%).

At the national level, ‘Construction’ industry had the highest number of businesses (16.6%) followed by ‘Professional, Scientific and Technical Services’ (12.4%), ‘Rental, Hiring and Real Estate Services’ (10.9%), and ‘Financial & Insurance Services (8.9%).

The majority of businesses in the NT are in the ‘services sector’ (all industries except ‘Agriculture, Forestry and Fishing’; ‘Mining’; ‘Manufacturing’; ‘Electricity, water, gas and waste services’; and ‘Construction’). In June 2019, the ‘services sector’ had 70.2% of all NT businesses.

## Regional distribution of business

The majority of the businesses in the Territory are located in the Greater Darwin region (Darwin City, Darwin Suburbs, Litchfield and Palmerston).

### NT small business sub-categories



*Source: ABS Cat No 8165.0*

### NT business by industry, June 2019

*Source: ABS Cat No 8165.0*

In June 2019, 73.0% of all businesses in the NT were located in the Greater Darwin region. The Alice Springs region had the second highest number of businesses (14.1%), the Katherine region had 6.3%, Daly-Tiwi-West Arnhem had 2.5%, East Arnhem had 1.5%, and the Barkly region had 1.4%. Business locations of about 1.1% of the businesses were ‘currently unknown’.

## Annual business turnover

At June 2019, the NT had 21.2% of businesses operating in the ‘zero to <$50k’ turnover range. About 13.5% of the businesses were operating in the ‘$50k to <$100k’ range, 18.1% in the ‘$100k to <$200k’ range, 20.2% were in the ‘$200k to <$500k’ range, 17.4% in the ‘$500k to <$2m’ range, 6.1% in the ‘$2m to <$5m range, 2.0% in the $5m to <$10m range, and 1.5% in the $10m+ range.

More than half (52.8%) of the NT businesses have an annual turnover of less than $200k.

A further breakdown of the NT business count by turnover by employment size range is in Table 1.

Nationally, around 25.0% of businesses were operating in the turnover range of ‘zero to <$50k’, 34.1% in the ‘$50k to <$200k’ turnover range, 33.9% in the ‘$200k to <$2m’ turnover range, 4.0% in the ‘$2m to <$5m’ turnover range; 1.4% in the ‘$5m to <$10m’ turnover range and 1.6% in the $10m or more’ turnover range.

### NT businesses by region, June 2019



*Source: ABS Cat No 8165.0*

### Business Location, June 2019



*Source: ABS Cat No 8165.0*

### NT business count by turnover, June 2019



*Source: ABS Cat. No. 8165.0 and ABS unpublished data*

### Table 1: Business count by turnover and by employment size range, June 2019

| **Turnover size range** | **Non employing** | **1-4 employees** | **5-19 employees** | **20-199 employees** | **200+ employees** | **Total** |
| --- | --- | --- | --- | --- | --- | --- |
| Zero to less than $50k | 2940 | 166 | 17 | 3 | 0 | 3127 |
| $50k to less than $100k | 1749 | 224 | 15 | 0 | 0 | 1989 |
| $100k to less than $200k | 2044 | 597 | 41 | 0 | 0 | 2679 |
| $200k to less than $500k | 1401 | 1348 | 226 | 10 | 0 | 2990 |
| $500k to less than $2m | 535 | 937 | 979 | 124 | 0 | 2574 |
| $2m to less than $5m | 79 | 131 | 505 | 191 | 0 | 906 |
| $5m to less than $10m | 19 | 20 | 99 | 152 | 3 | 295 |
| $10m or more | 13 | 9 | 29 | 144 | 30 | 225 |
| **Total** | **8781** | **3418** | **1915** | **635** | **30** | **14776** |

*Source: ABS unpublished data – care should be taken in analysing data due to the effects of the confidentiality process*

## Notes:

ABS business count is derived from Australian Bureau of Statistics Business Register (ABSBR) and is populated with information from the Australian Business Register (ABR). Most businesses in Australia are required to have an Australian Business Number (ABN) and register with ABR. Actively trading businesses with a turnover of at least of $75,000 per annum and $150 000 for non-profit organisations are required to have an ABN and remit GST. Businesses with <$75,000 turnover can voluntary register for ABN and these voluntarily registered businesses are included in the business counts. See appendix 1 for details on the basis for counts of businesses. For further information please refer to ABS Catalogue number 8165.0.

The ABS definition of business exit is ‘a business for which the ABN or GST role has been cancelled and/or which has ceased to remit GST for at least five consecutive quarters in respect of that ABN (or 3 consecutive years for annual remitters)’. It should be noted that a business exit event does not necessarily equate to a business ‘failure’. There may be other reasons such as sale of business (owner retiring, etc) or change in the business structure e.g. mergers and takeovers.

## Data Source:

Australian Bureau of Statistics, Catalogue Number 8165.0
For Further Information:
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## The conceptual and practical basis for counts of Australian businesses, including entries and exits

**Reference Period June 2019(a)**



(a) The ABS Business Register is updated monthly and data is extracted as close to 30 June 2019 as possible. Therefore, in addition to out of scope ABNs, minor differences in the timing of the CABEE frame contribute to the difference between end of year business counts presented in this release and those published by the ABR.

(b)

No. of active ABNs with no active in-scope roles
No. of active ABNs with active in-scope roles other than active ITW and GST roles
No. of active ABNs with invalid ANZSIC / SISCA / State - active ITW or GST roles only
No. of mutually exclusive active ABNs excluded due to being ITW or GST LTNRs
Active ABNs with active ITW role only
Out of scope TOLO / ANZSIC / SISCA

Source: ABS Cat. No. 8165.0