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VICTORIA IS AN ECONOMIC BASKET CASE – 129,000 BUSINESSES SHUT

"In 2024, more than 350 business shut their doors in Victoria every single day according to new data from the ABS. These new figures show that Victoria has not recovered from the pandemic and remains an economic basket-case," said Lachlan Clark, Research Fellow at the Institute of Public Affairs.

New analysis by the IPA of the Australian Bureau of Statistics' Counts of Australia Businesses data, shows Victoria saw over 129,000 businesses close in 2024, as well as having the second slowest growth in the number of operating businesses since the pandemic.

"Previous IPA research has shown that Victoria is the worst performing state in the nation. The tragedy is that it is only getting worse," said Mr Clark.

"Victoria needs a new economic path – raising taxes and taking on even more state debt is clearly not solving our problems. Things will only continue to get worse until there is a change of in economic management by the state government."

IPA analysis shows that since the end of the period of Covid-19 lockdowns, the growth in the count of businesses operating in Victoria has remained 2 per cent below the average of all other states:

1. Western Australia (+11.5 per cent)
2. Queensland (+10 per cent)
3. South Australia (+9.9 per cent)
4. New South Wales (+8.8 per cent)
5. **Victoria (+7.5 per cent)**
6. Tasmania (+6.3 per cent)

"The latest ABS data confirms that Victoria's economy has failed to recover from the Covid-19 pandemic, and that the state is now well and truly an economic basket case," said Mr Clark.

Previous IPA research detailed how Victoria is the hardest state in the nation to run a business. The ABS data also showed Victoria has seen the second largest number of businesses move to another state or territory since the Covid-19 lockdowns concluded:

1. Queensland (+5,393)
2. Western Australia (+1,495)
3. South Australia (+749)
4. Tasmania (+42)
5. **Victoria (-3,254)**
6. New South Wales (-3,674 *NB: NSW has 160,000 more businesses than Victoria)

"Given Victoria's disastrous pandemic response and economic management, it is hardly a surprise that businesses are fleeing Victoria and are re-opening in states with more business-friendly environments, such as Queensland and Western Australia," said Mr Clark.

"These latest figures underscore the fact that Victorians are missing out on jobs and opportunities because of the economic mismanagement of the state government."

To download the IPA's previous research [click here](#).

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