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Tuesday 9th December 2014

NEW STUDY: NORTHERN TERRITORY MOST ENTREPRENEURIAL PLACE IN AUSTRALIA

The Northern Territory is the most entrepreneurial Australian state or territory, according to new research released today by free market think tank the Institute of Public Affairs.

New IPA analysis of Australian Bureau of Statistics data reveals that the Northern Territory's business start-up rate – the number of new firms as a percentage of total firms operating – has been the least affected by a rapid national decline over the decade to June 2013. The paper, *Where have all the entrepreneurs gone?*, was reported in the *Australian Financial Review* this morning.

"In 2003-04, the Northern Territory business start-up rate of 16.3 per cent was behind that of New South Wales, Victoria, Queensland, Western Australia and the ACT. While other states saw precipitous falls to 2012-13, the NT only went down a modest 21.5 per cent, leaving it with an entry rate of 12.8 per cent – the highest in Australia," says Dom Talimanidis, the author of the report, and the Ian Mence Fellow for Entrepreneurship at the IPA.

"While the fall in the business start-up rate has occurred in all Australian states and territories, the NT has declined the least," says Mr Talimanidis.

The new IPA research shows that the fall in business start-up rates has occurred in all major sectors of the economy and across all firm sizes.

"The process of new firms entering the market and competing with incumbent operators is crucial to long term productivity increases."

"It is also central to job creation and social mobility, a point that was recently raised by the Chair of the U.S Federal Reserve Board of Governors, Janet Yellen, commenting on a similar trend in the United States," says Mr Talimanidis.

"Chief Minister Adam Giles and his government must be praised for providing an environment in which individuals are most likely to invest with confidence. Doing so will ensure that the NT continues to outgrow all other Australian jurisdictions," says Mr Talimanidis.

The IPA's new report, *Where have all the entrepreneurs gone?*, is available to download [here](#).

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