The Indigenous   
Business Factsheet

# Key Points

* There are around 2.1 million businesses in Australia, between 12,000-16,000 of these are Indigenous-owned businesses
* Collectively, Supply Nation registered Indigenous businesses earn more than $1 billion per year with revenues growing at an annual average rate of 12.5%
* An additional 73,250 prime working age Indigenous Australians will operate in the economy by 2026. Based on current Indigenous self-employment rates around 2,200 will start a business

# Indigenous men twice as likely to be self employed

Indigenous self-employed by sex in 2011, ABS[[1]](#endnote-1)

Graph - 2891 Females, 6009 Males.

# Indigenous entrepreneurs on the rise

Indigenous self-employment and all Australian businesses, 1991 to 2011, ABS[[2]](#endnote-2)

Steady increase of Indigenous LHS from 1991 to 2011 compared to a lesser increase of all Australian RHS.

Estimates for the number of Indigenous businesses, various sources

|  |  |
| --- | --- |
| Source (year of research) | Estimate (year) |
| Census (2011)i | 8,900 (2011) |
| Hunter (2013)[[3]](#endnote-3) (self-employed) | 12,500 (2011) |
| PwC Indigenous Consulting (2016)[[4]](#endnote-4) | 11,760 to 16,260 (2016) |

# Massive demographic dividend on the horizon

Indigenous Population projections by age, ABS [[5]](#endnote-5)

28% increase in Indigenous prime working age population -73,250 more potential workers by 2026

# Lion’s share of Indigenous entrepreneurs are in services and construction, similar to non-Indigenous entrepreneurs

Indigenous and non-Indigenous self-employed sectors in 2011, per cent, ABS[[6]](#endnote-6)

8525 Indigenous Businesses compared to 1.5 million Non Indigenous Businesses. 

# Indigenous businesses are concentrated in regional parts of the eastern states

Indigenous self-employed by capital city and rest of state, count, %[[7]](#endnote-7)

|  |  |  |  |
| --- | --- | --- | --- |
| State/Territory | Region | Indigenous business (count) | % of total |
| NSW | Greater Sydney | 878 | 14% |
| NSW | Rest of NSW | 1,332 | 22% |
| VIC | Greater Melbourne | 230 | 4% |
| VIC | Rest of Vic. | 208 | 3% |
| Qld | Greater Brisbane | 450 | 7% |
| Qld | Rest of QLD | 1,028 | 17% |
| SA | Greater Adelaide | 86 | 1% |
| SA | Rest of SA | 94 | 2% |
| WA | Greater Perth | 298 | 5% |
| WA | Rest of WA | 381 | 6% |
| TAS | Greater Hobart | 182 | 3% |
| TAS | Rest of Tas. | 381 | 6% |
| NT | Greater Darwin | 60 | 1% |
| NT | Rest of NT | 408 | 7% |
| ACT | Australian Capital Territory | 41 | 1% |
| Total |  | 6,057\* |  |

\*Indigenous businesses lacking locational information; hence the total of 6,057 in the table is lower than the total count of Indigenous small businesses across Australia as a whole (8,900).

# ORIC registered Indigenous organisations located largely in NT, WA and QLD

Geographic spread of the Top 500 Corporations in 2014-15, count, %[[8]](#endnote-8)

Majority of of ORIC registered businesses are located in NT (33%), WA (25.4%), QLD (19%) followed by NSW (13.2%), SA (4.6%), VIC (3.6%) TAS (0.8%) and ACT (0.2%).

# Key statistical snapshot of 697 Supply Nation registered Indigenous businesses in 2014-15 [[9]](#endnote-9)

Total revenue generated

**$1.15b**

Annual average growth over 4 years[[10]](#endnote-10)

**12.5%**

Average revenue per firm

**$1.65m**

Industry Value Add

**$463.9m**

# East coast dominates Indigenous business

Locations of infrastructure projects and Supply Nation firms

Map of Australia plotting registered Supply Nation groups.

# Maturity brings soaring financial success

Average revenue of Indigenous businesses based on years in operation, $m

$0.49million for 217 firms over 2 years compared to $2.04 for 184 firms over 3-5 years and $2.25 for 296 firms over 6 + years. 

# Strongest in construction and services sectors

Indigenous business representation across industries, $m, %

|  |  |  |
| --- | --- | --- |
| Top 10 Industries | Revenue $M | % of Total |
| Construction | 395.5 | 34% |
| Administrative and Support | 115.9 | 10% |
| Electricity, Gas, Water and Waste | 77.2 | 7% |
| Transport, Postal and Warehousing | 67.0 | 6% |
| Professional, Scientific and Technical | 64.4 | 6% |
| Health Care and Social Assistance | 51.2 | 4% |
| Wholesale Trade | 44.8 | 4% |
| Financial and Insurance | 44.1 | 4% |
| Mining | 43.7 | 4% |
| Rental, Hiring and Real Estate | 40.2 | 4% |
| Total Across All Sectors | 1148.4 |  |

# Indigenous business incomes surge during mining boom

Revenue growth of 214 Indigenous businesses from 09-10 to 13-14, $m

# Revenue growth of 214 Indigenous businesses from 09-10 to 13-14, $m

# Larger firms contribute most value to economy

Industry value add by no. of employees, $m

**506 firms with0-4 employees added $69.8 million. 121 firms with 5-19 employees added $87.7 million. 70 firms with 20 or more employees added $306.1 million.**

# Overview of Supply Nation businesses in 2016[[11]](#endnote-11)

|  |  |
| --- | --- |
| Category | Total |
| Number of businesses | 1,114 |
| Number of Employees | 15,064 |
| Number of Indigenous workers | 6,324 |
| Average no. of workers per business | 14 |

1. Australian Bureau of Statistics Census of Population and Housing (2011) [↑](#endnote-ref-1)
2. Australian Bureau of Statistics Census of Population and Housing (2011) and B Hunter, ‘Recent Growth in Indigenous Self-Employed and Entrepreneurs’, CAEPR Working Paper No. 91/2013 (2013), Australian Bureau of Statistics 6105.0, Australian Labour Market Statistics (5 July 2011), Australian Bureau of Statistics 81650 Counts of Australian Businesses (26 February 2016) [↑](#endnote-ref-2)
3. B Hunter, ‘Recent Growth in Indigenous Self-Employed and Entrepreneurs’, CAEPR Working Paper No. 91/2013 (2013) [↑](#endnote-ref-3)
4. PwC Indigenous Consulting (2016) on behalf of Prime Minister and Cabinet [↑](#endnote-ref-4)
5. Australian Bureau of Statistics – Indigenous Population Projections (7 November 2016) [↑](#endnote-ref-5)
6. Australian Bureau of Statistics Census of Population and Housing (2011) [↑](#endnote-ref-6)
7. PwC Indigenous Consulting, Australian Bureau of Statistics Census of Population and Housing (2011), prepared on behalf of PM&C [↑](#endnote-ref-7)
8. Office of the Registrar of Indigenous Corporations [↑](#endnote-ref-8)
9. Australian Bureau of Statistics – Business Longitudinal Analysis Data Environment (2016) – Customised dataset based on Supply Nation registered Indigenous businesses prepared on behalf of PM&C. Due to long delays in receipt of BAS and Business income tax statements, the most recent complete set of financial data is from 2014-15. [↑](#endnote-ref-9)
10. For 214 Indigenous businesses registered on Supply Nation which operated between 2009-10 to 2013-14. [↑](#endnote-ref-10)
11. Supply Nation - Indigenous Business Direct [↑](#endnote-ref-11)