



Inquiry into Appropriation Bill 2026–2027 and Appropriation (Office of the Legislative Assembly) Bill 2026–2027

Answer to question taken on notice

Asked by: Mr Thomas Emerson MLA

Addressed to: Treasurer

In relation to: Treasury and Pegasus report – 2024/25 Business Growth

Hearing: 21/07/2026

Uncorrected Proof Transcript p21

Transcript provided: 23/07/2026

Answer Due: 29/07/2026

Mr Pirie took on notice the following question(s):

MR EMERSON: The Pegasus report notes that in 2024-25 the number of businesses operating in the ACT grew by 1.9 per cent, which was below the national average of 2.5 per cent, but acknowledges in prior years the growth was stronger than the national average. What is your understanding of why business growth decreased?

Mr Pirie: I will probably take that on notice and say for the purposes of payroll tax we tend to focus on growth in taxable wages base, specifically that question, but we can take that on notice and come back to you if we have got anything.

Treasurer: The answer to the Member's question is as follows:

The ACT's business count grew more slowly than the national average in 2024-25. The ACT recorded a business entry rate of 17.4 per cent, above the national average of 16.4 per cent, while the business exit rate was also higher at 15.1 per cent compared with 13.9 per cent nationally.

Higher business exits were recorded in industries including Construction; Accommodation and Food Services; Transport, Postal and Warehousing; and Administrative and Support Services. Business entry and exit rates are influenced by a range of factors, including changes in market conditions, business restructuring and mergers, owner circumstances, and the normal dynamics of business turnover.

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Despite slower growth in 2024-25, the ACT's business sector has expanded strongly over recent years. Between 2021-22 and 2024-25, the number of businesses operating in the ACT grew by an average of 4.1 per cent per year, compared with 3.2 per cent nationally.

Approved for circulation to the Select Committee on Estimates 2026-2027

Signature:



By the Treasurer, Chris Steel MLA

Date:

29/7/26