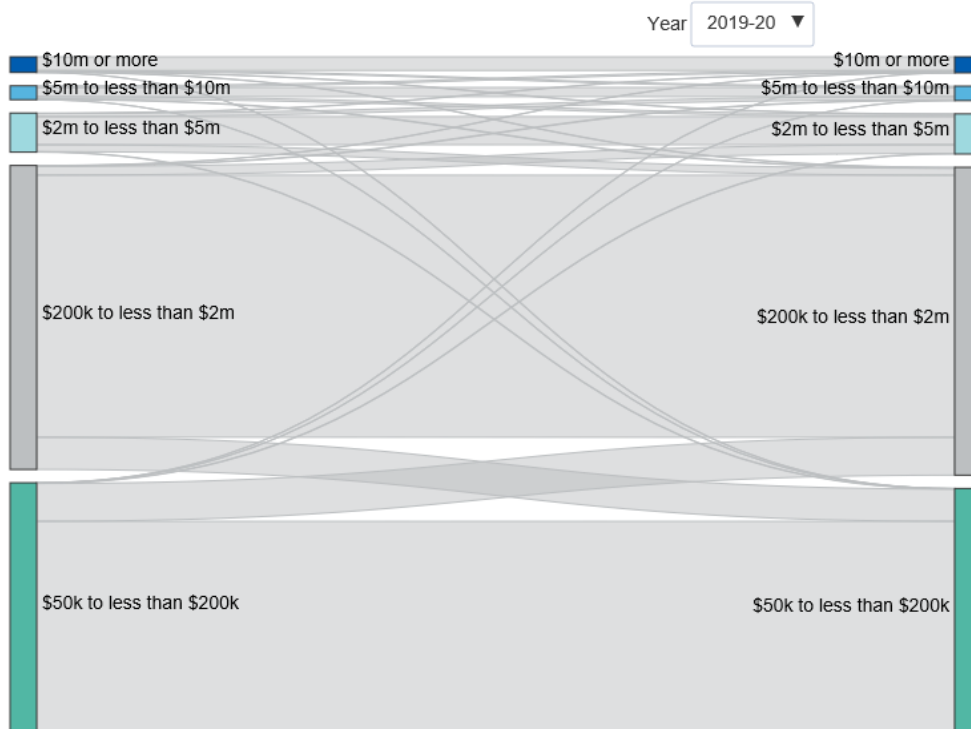


2.3.3 Businesses changing turnover range

Business-growth patterns can be illustrated by the number of businesses moving from smaller turnover ranges to larger ones over a given period. Of the 644,833 businesses that started with an annual turnover in the range \$50k to less than \$200k in the year to June 2020, some 88,065 businesses (13.7 per cent) increased their revenue to a higher range in the following year. Of these, 230 businesses moved into the \$5m to less than \$10m range and a further 165 businesses increased their annual turnover to \$10m or more.¹ All of these 88,065 businesses could potentially meet the OECD definition of a *high-growth enterprise* — if they remain in their higher turnover range for another two years.²

Figure: Businesses changing turnover range, as at June, number, latest 2019–20



¹ ABS, *Counts of Australian Businesses, including Entries and Exits*, Cat. No. 8165.0 (<https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release>)

² Audretsch D B (2012) *Determinants of High-Growth Entrepreneurship*, OECD and Danish Business Authority (https://www.oecd.org/cfe/leed/Audretsch_determinants%20of%20high-growth%20firms.pdf)