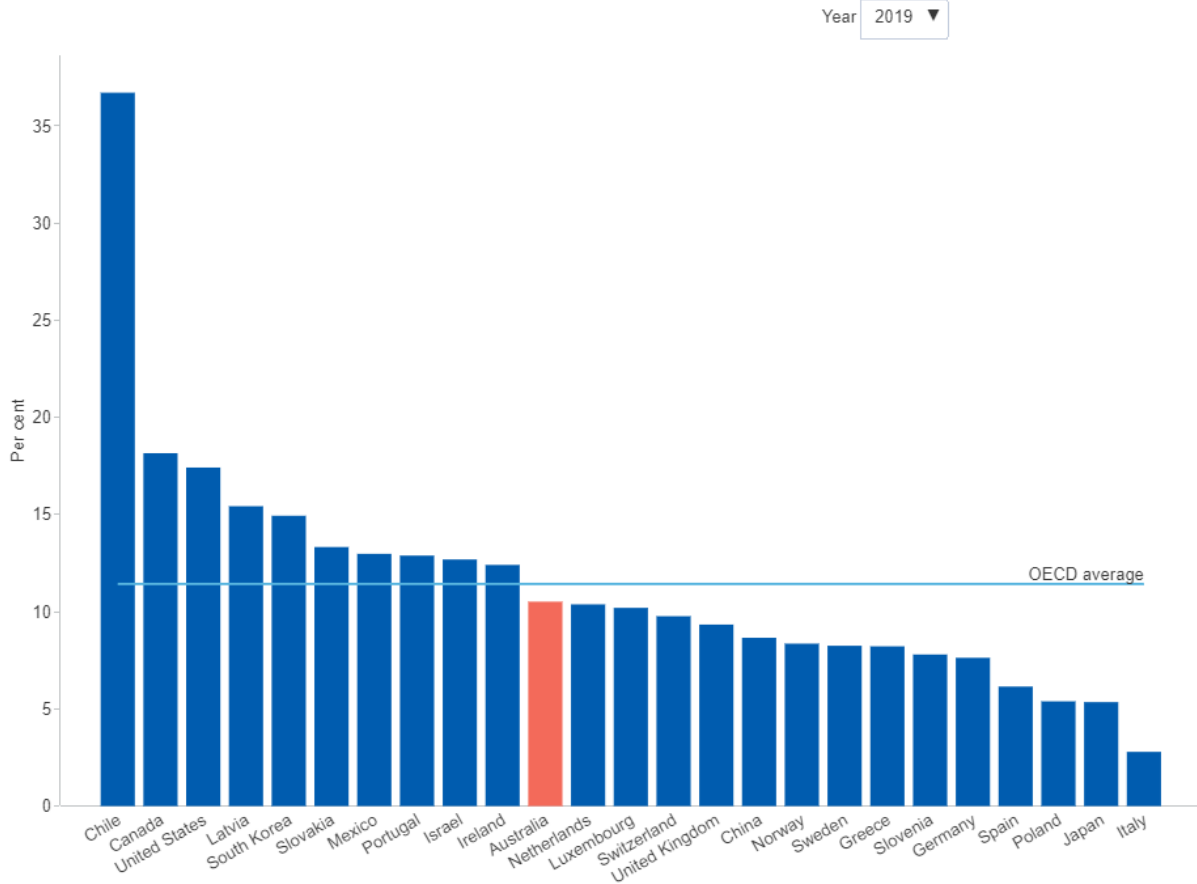


2.4.1 Total early-stage entrepreneurial activity (TEA)

The latest Global Entrepreneurship Monitor (GEM) data paints a relatively positive picture of entrepreneurial activity in Australia. The headline indicator — TEA — estimates the share of working-age adults who are in the process of starting a business (i.e. nascent entrepreneurs) or who started a new business as owner-manager less than 42 months before the GEM survey was conducted. In 2019, around 10.5 per cent of Australia's adult population were early-stage entrepreneurs — a continuing decline from 14.6 per cent in 2016. The survey results would imply that the number of Australian adults who were either a nascent entrepreneur or the owner-manager of a new business contracted from 2.2 million in 2016 to 1.7 million in 2019. *Australia* performed slightly below average in terms of the TEA rate among the 25 OECD economies (11.4 per cent). Australia's performance on this metric was above the *UK* (9.3 per cent), but trailed the *United States* (17.4 per cent) and *Canada* (18.2 per cent) in 2018 by a considerable margin.¹

Figure: Total early-stage entrepreneurial activity (TEA), share of adults as nascent entrepreneur or owner of a new business, OECD countries, per cent, latest 2019



¹ GEM Consortium (2020) *Global Entrepreneurship Monitor 2019/20 Global Report*, Global Entrepreneurship Research Association (<https://www.gemconsortium.org/report>)