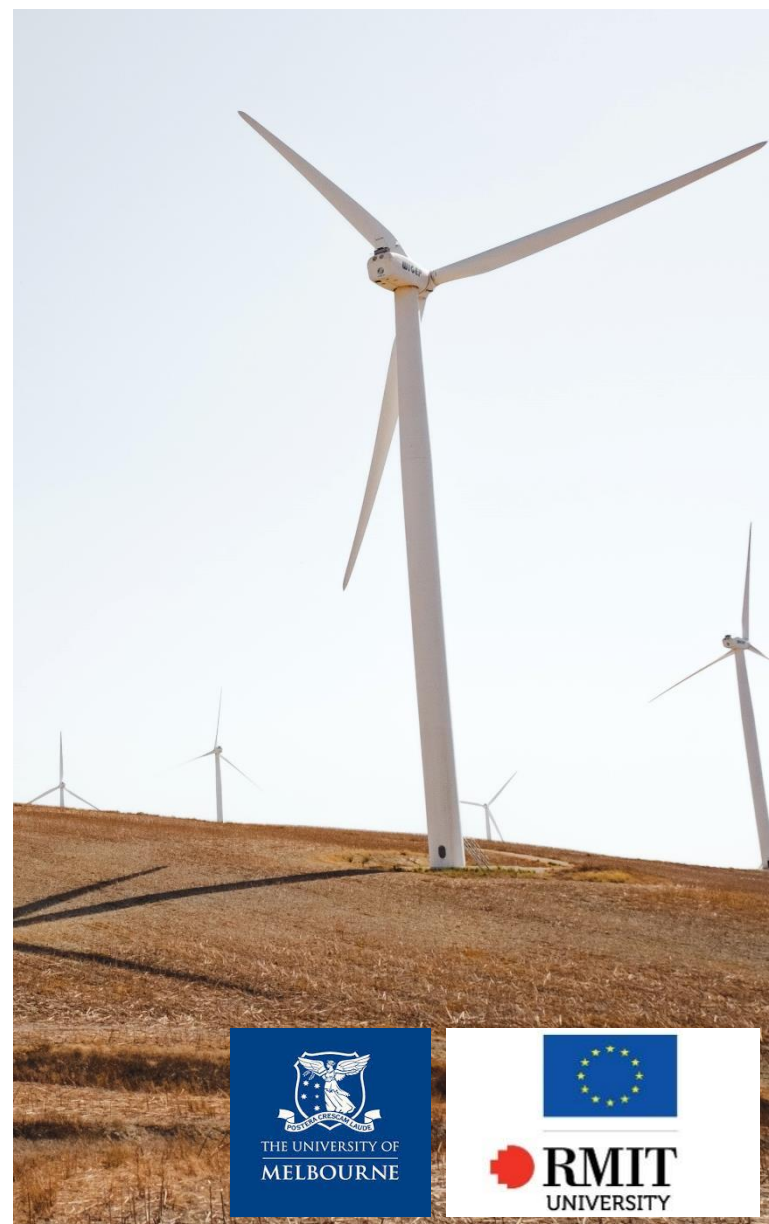
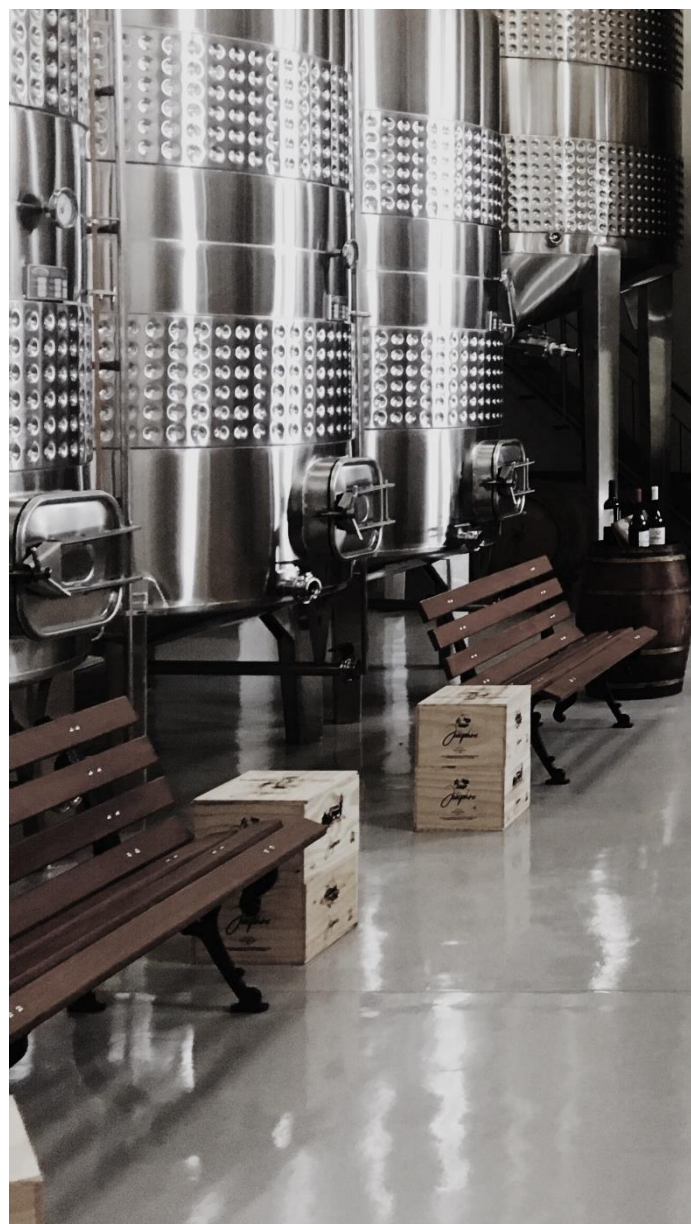


GIPPSLAND BUSINESS INNOVATION SURVEY 2019



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Survey 2019, Melbourne Sustainable Society Institute,
The University of Melbourne

01 INTRODUCTION

Continuous place-based business innovation, specialisation and collaboration are key to building resilience and future-proof regions in the face of ongoing economic structural change and in times of acute shocks such as bushfires, extreme weather events or pandemics.

Innovative and well-connected regions are more likely to bounce back during crises and bounce forward in times of prosperity. The concept of Smart Specialisation Strategies, which has been applied to hundreds of regions across the European Union (EU), builds on these assumptions and seeks to increase regions' capacity to drive economic development in the long-term.

The Latrobe Valley Authority (LVA) has commissioned this report on the outcomes of the Gippsland Business Innovation Survey (GBIS) 2019. The survey is the first detailed, regional-focused innovation survey in Victoria and one of the few examples in Australia. The placed-based lens of the GBIS helps to gain more detailed knowledge about Gippsland's business innovation activities and the context in which business innovations emerge.

The valuable insights into specificities of innovation activities in Gippsland can help to better inform and support single businesses, industry sectors and policy makers. Business innovation data is crucial to evaluate the innovation activities and the innovation performance of regions over time.

WHY A REGIONAL INNOVATION SURVEY?

To identify, monitor and support business innovation activities, information is needed about the current state and ongoing performance of innovative and non-innovative businesses. Evidence-based and transparent decision making is key in a regional Smart Specialisation process.



Businesses' information help to identify region's strength and future opportunities in order to support innovation activities, knowledge exchange and collaboration. Taking into account regional industry structures and dynamics embedded in wider economic contexts are supportive elements in driving innovative economic development.

THE EUROPEAN UNION'S 'COMMUNITY INNOVATION SURVEY' (CIS)

Based on recommendation by the Organisation for Economic Cooperation and Development (OECD), the European Union (EU) introduced the 'Community innovation survey' (CIS) in 2004. This survey has been conducted by each member state of the EU to better understand and monitor the innovation activities of businesses. It provides detailed information about the structure of businesses, types of innovations introduced and the effects of innovation on the economy – the data can be aggregated for different spatial levels. A set of indicators helps to better unpack details about innovation activity, co-operation, sources of information for innovation, challenges and barriers, innovation spending, effects of innovation or public funding.

THE GIPPSLAND BUSINESS INNOVATION SURVEY

So far data on business innovation activities in the Australian context has been primarily provided by the Australian Bureau of Statistics' (ABS) Business Characteristics Survey (BCS). This survey informs about innovation types for single industry sectors (using the ANZSIC industry codes) at the national level. However, a fine-grained analysis on place-specific innovation activities (e.g. regions) that looks closer at processes, and mechanisms within regional innovation systems is lacking. That is why the GBIS was conceptualised by using the EU's CIS and adapted it to the Australian context.

In November and December 2019, the Latrobe Valley Authority set up an online survey with the help of an independent market research company to gain knowledge on business innovation activities in Gippsland during the years 2016-2018.

Innovation is a source of economic development and a tool for addressing global challenges like climate change and social issues such as inequality.

Regions are seeking to promote their economic development increasingly through support to innovation. They define and implement strategies and policy instruments to build on their strengths and to shift course.

However, a shared regional vision needs to be grounded in an analysis of regional strengths and weaknesses. The core challenge for regional innovation policies is to ensure a favourable environment for entrepreneurship and business to create jobs (OECD 2020).



WHAT IS INNOVATION?

While innovation is widely used as a term that describes something new, the most used definition for business innovation is given by the ‘Oslo Manual: Guidelines for Collecting and Interpreting Innovation Data’ which was jointly developed by the OECD and Eurostat. It defines innovation as follows:

“An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations”.
 (OECD/Eurostat 2018)

WHAT ARE INNOVATION-ACTIVE BUSINESSES ?

Innovation-active businesses are businesses that have introduced one or more of the four main types of business innovation within a period of two years.

Different authorities of the Australian Federal Government have highlighted the importance of innovation-active businesses in building a sustainable and resilient economy (AusGov 2016, 2017).

Product Innovation (good or service)	is the market introduction of a new or significant improved good or service with respect to its capabilities, user friendliness, components or sub-systems.
Process innovation	is the implementation of a new or significantly improved production process, distribution method, or supporting activity.
Organisational innovation	is a new organisational method in enterprise’s business practices (including knowledge management), workplace organisation or external relations that has not been previously used by your enterprise.
Marketing innovation	is the implementation of a new marketing concept or strategy that differs significantly from an enterprise’s existing marketing methods and which has not been used before.

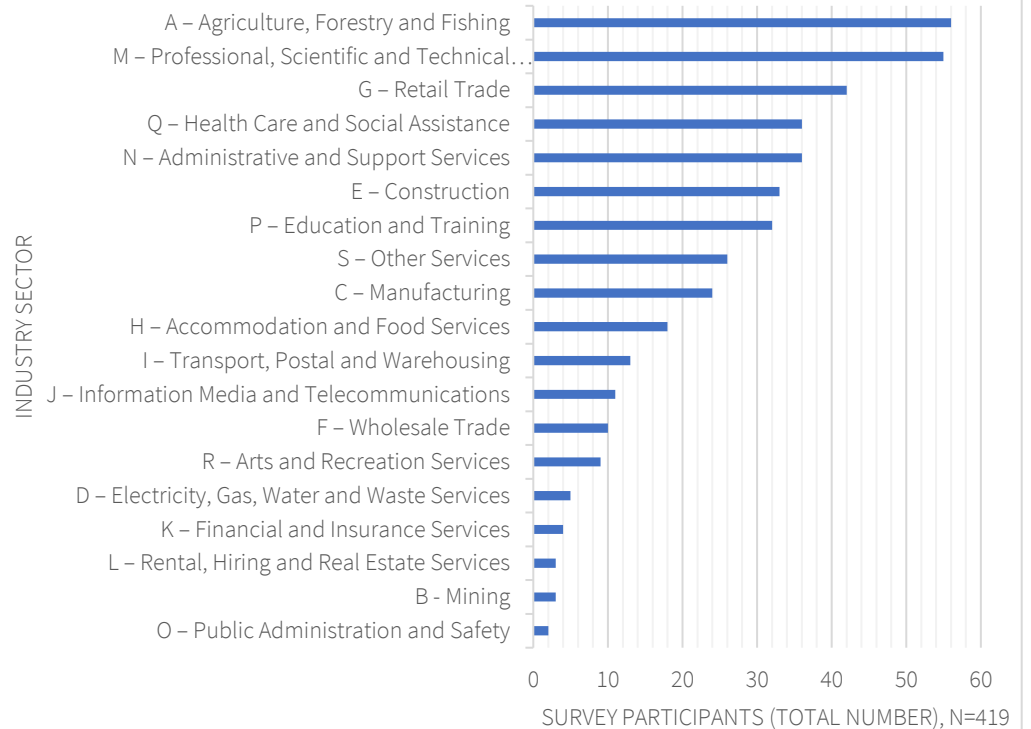
Main types of business innovation (OECD/Eurostat)



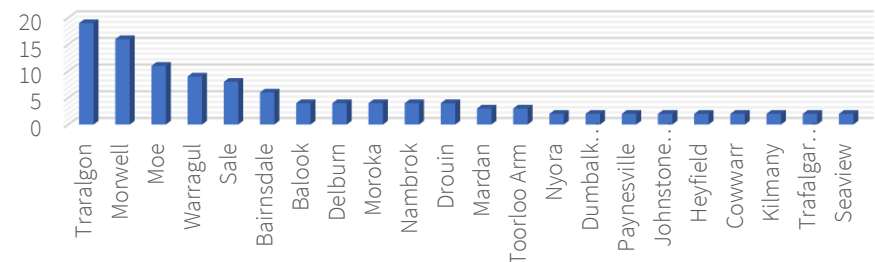
OVERVIEW OF DATA COLLECTION

- 453 of Gippsland's registered 23,000 businesses (ABS 2016) have participated in the survey. 419 responds were included for the analysis (filtered were responds with less than two answered questions). 159 businesses have answered all questions.
- All business sectors listed in the 'Australian and New Zealand Standard Industrial Classification' (ANZSIC) are represented in the survey.
- The top 5 industry sectors in terms of responds: A (Agriculture, Forestry and Fishing), M (Professional, Scientific and Technical Services), G (Retail Trade), Q (Health Care and Social Assistance) and N (Administrative and Support Services).
- 129 businesses provided information about their number of employees and a postcode.
- The majority (67%) of the responding businesses reported to have 0 to 4 employees.
- Participating businesses could be geographically located across the Gippsland region.

Distribution of businesses (industry sectors)



Spatial distribution of businesses
(total number of businesses, postcode areas of top 22)



02 KEY FINDINGS

63% of businesses stated they were **innovation-active** in 2016-2018.

453 businesses responded. 419 responds were used for the analysis of innovation activities.

Types of introduced business innovations

57%	Service Innovation
37%	Process Innovation
31%	Goods Innovation
29%	Organisational Innovation
27%	Marketing Innovation

(proportion of innovative-active businesses, N=268)

Most innovation-active industry sectors (2016-18)

Manufacturing
Health Care and Social Assistance
Education
Professional, Scientific and Technical Services
Information Media and Telecommunications
Wholesale

Diverse cooperation partners for innovation

11%	Businesses within enterprise group
9%	Competitor/other business
9%	Clients from public sector
9%	Clients from private sector
8%	suppliers
6%	Universities or other higher Education

Size matters. The larger the businesses (in terms of number of employees), the more innovative-active they are.

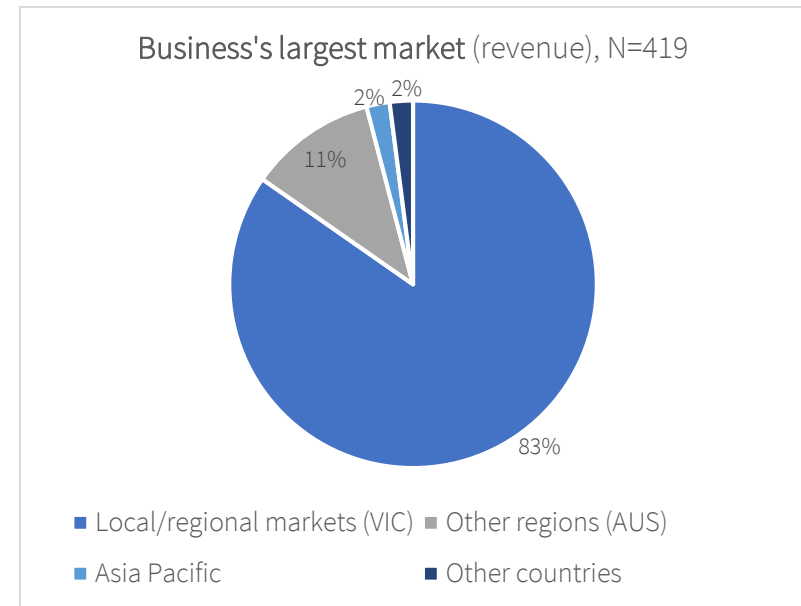
Larger companies (20 or more) reported more innovation activity particularly in the areas of organisational innovation (94%), service innovations (70%) and process innovation (88%).

83% of businesses stated their most important market (in terms of revenue) is local or within Victoria.

Just 4% of respondents stated that markets overseas are most important for their business.

GEOGRAPHY OF MARKETS AND BUSINESS OPERATIONS

- Gippsland-based businesses are strongly embedded in local and/or other Victorian markets.
- 83% of the participating businesses have stated that their largest market (in terms of revenue) is local or regional (other places in Victoria).
- 4% of businesses stated that they provide goods or services to international markets.
- Suppliers and co-operators of businesses are also predominantly located in Gippsland or other Victorian regional markets.



BUSINESS STRUCTURES AND INNOVATION

- The larger the businesses are (in terms of number of employees), the more innovative active they are.
- While the analysis found that businesses with no employees are less innovation active, most innovation active businesses have 20 or more employees.
- Larger companies (20 or more) were innovative active particularly in the areas of organisational innovation (94%), service innovations (70%) and process innovation (88%).

Size of businesses and types of innovation-activities (N=129)					
Number of employees	Product Innovations (Goods)	Product Innovations (Services)	Process Innovations	Organisational innovation	Marketing innovation
0	12%	12%	22%	34%	9%
1-4	27%	36%	31%	36%	40%
5-19	28%	68%	64%	52%	72%
20 or more	41%	70%	88%	94%	58%

TYPES OF INTRODUCED BUSINESS INNOVATION

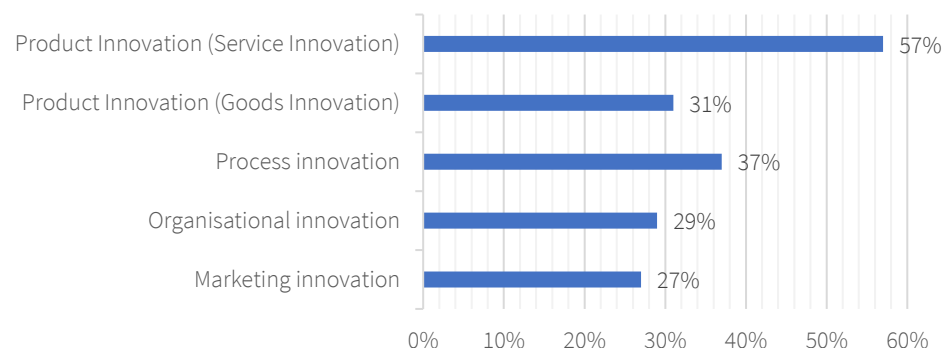
- More than half (63%) of the 419 Gippsland-based businesses reported innovation activities between the years 2016 and 2018.
- Innovation-active businesses (268 in total) have introduced service innovations (57%), process innovations (37%), goods innovations (31%), organisational innovation (39%) and marketing innovation (27%).
- 211 businesses stated they have introduced product innovations (Goods or service innovation). Of those, most activity was reported in service innovation (39%), good innovation (21%).
- 30 innovation-active businesses stated they have introduced both goods and service innovation.
- 28 businesses had introduced all four types of innovation
- Of the product innovations introduced, 12 businesses (Agriculture, Manufacturing, Professional Services) stated it was a world first innovation.
- 4 businesses applied for patents.
- Most innovative-active businesses within their industry sector are Manufacturing (100%), Health Care (77%) and Finance (75%).

Key Learnings

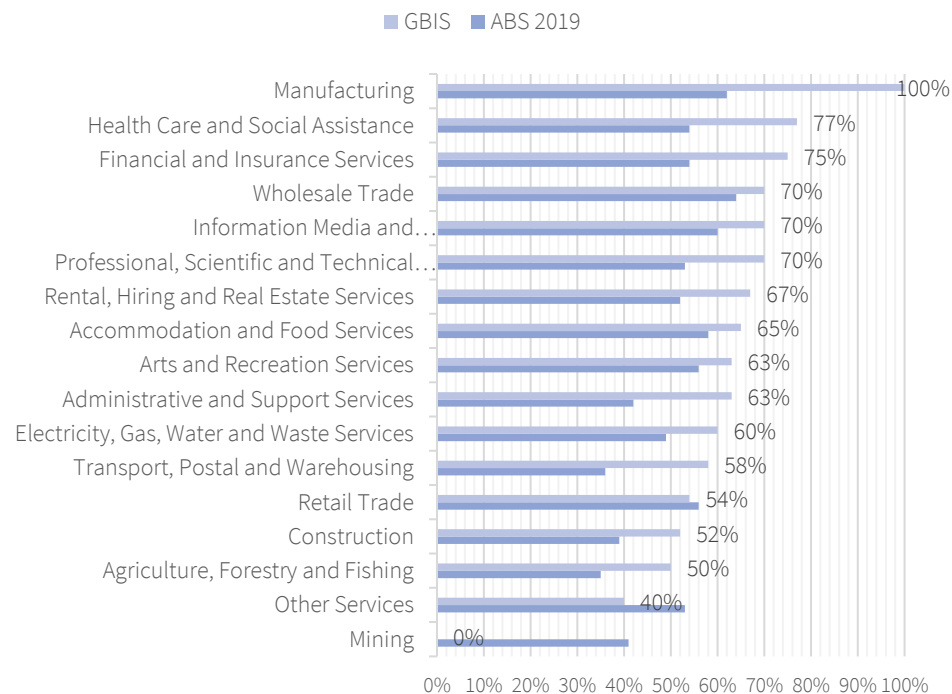
The survey results indicate that Gippsland's businesses perform well in terms of innovation activities. 63% of the respondents stated that they are innovative active (this figure is comparable to the results of a similar study of the Sunshine Coast Region, Queensland, (De Villiers Scheepers, M. & De Klerk, S., 2019).

The Australian Bureau of Statistics (ABS 2018) calculated an Australian average of 45% businesses that are innovation active (2016-2017). Across many industries, service innovation was identified as the most introduced type of innovation.

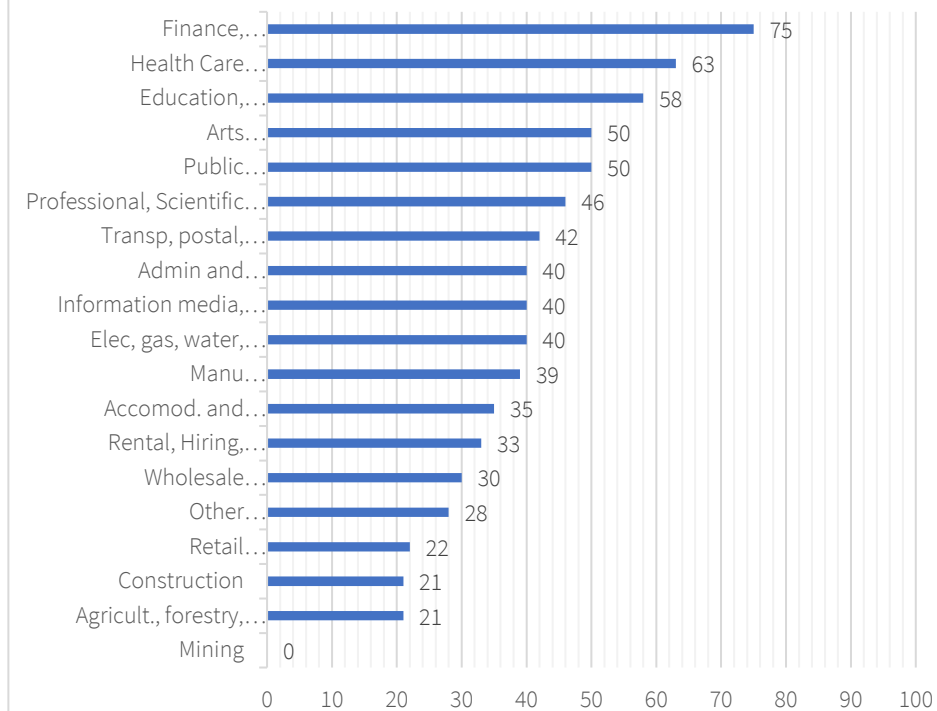
Types of introduced innovation
(% of innovation-active businesses, N=268)



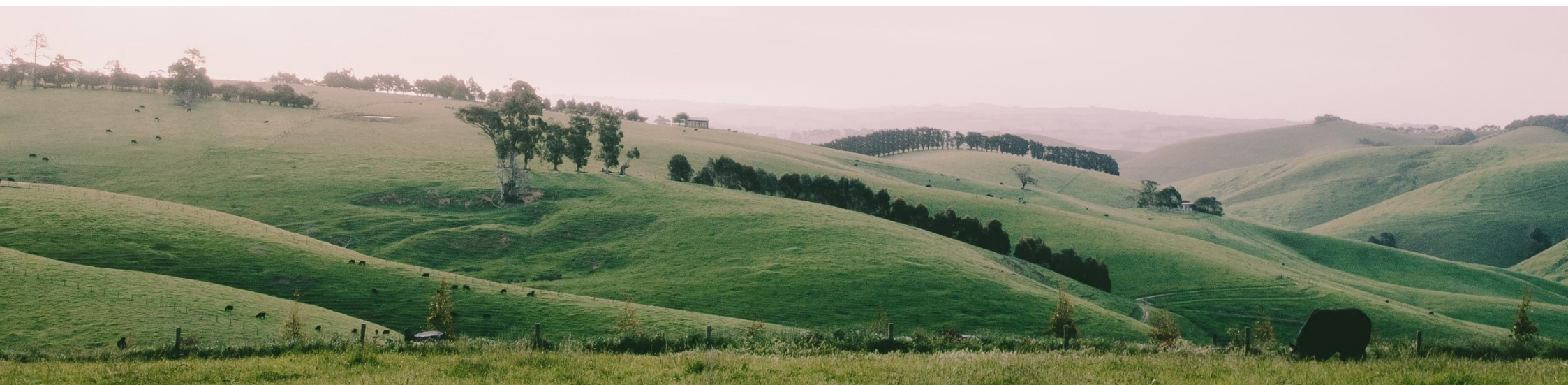
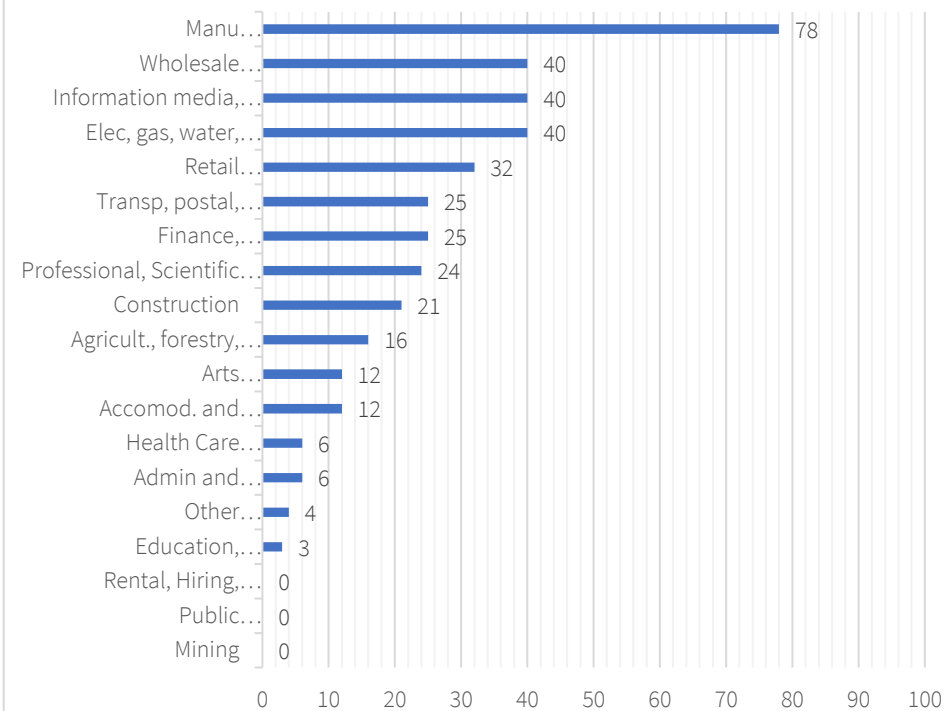
Proportion of innovative-active businesses within their industry sector (GBIS and national data by ABS)



Service innovation (% of businesses in sector)



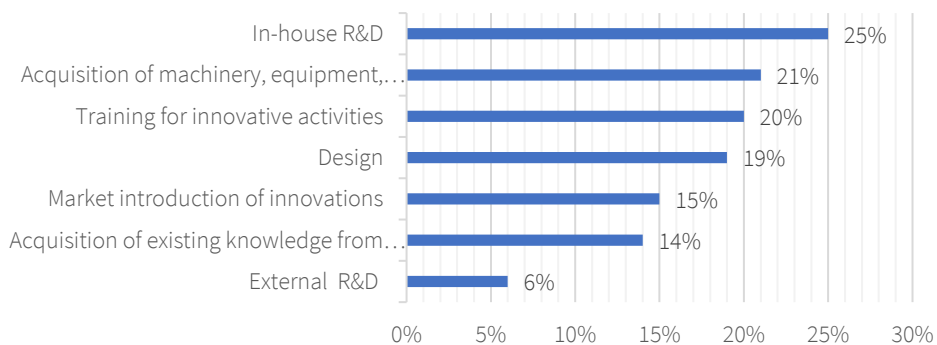
Goods innovation (% of businesses in sector)



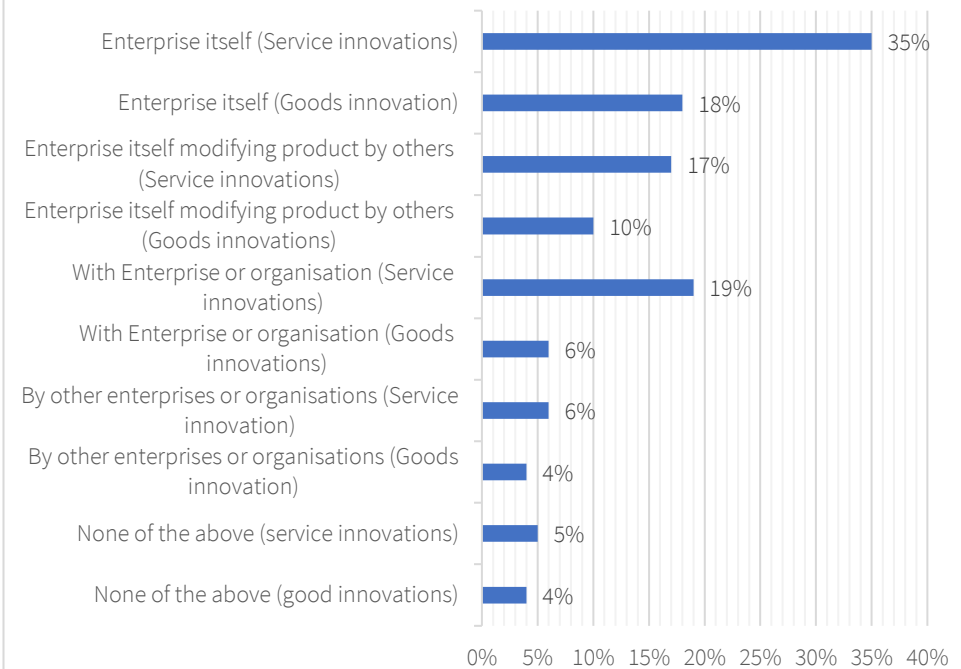
INNOVATION ACTIVITIES AND COLLABORATION

- 25% innovation-active businesses reported that product and process innovations are created in-house.
- 20% of innovation-active businesses reported that they cooperate with other businesses or organisations (product or process innovation).
- Cooperation with other businesses or organisations are more common for service innovation and goods innovation.
- Cooperation were reported across the private and public sector and academia
- Most reported valuable cooperation partners for product and process innovation were clients/customers from the public or private sector (30%), followed by research institutes, suppliers and competitors (all around 15%).
- The analysis shows that businesses cooperate more for service innovation activities. 26% of service innovators stated that they cooperate with other businesses or organisations.
- 29 businesses (10% of innovative-active businesses) stated they had received public funding support for innovation activities.

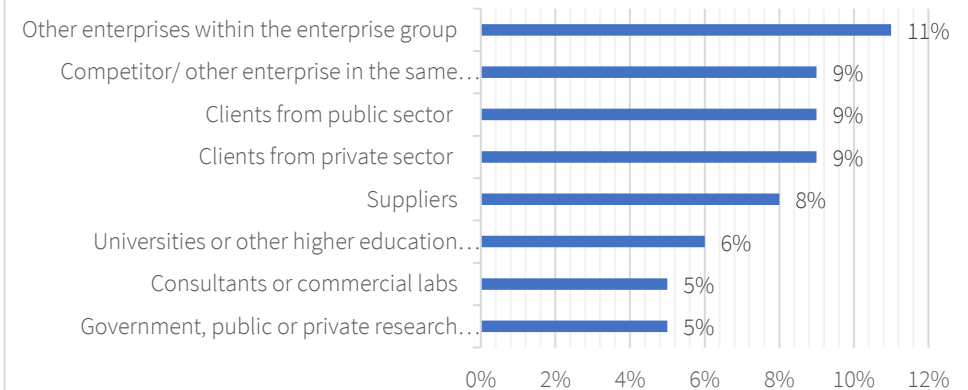
Activities for product and process innovation
(% of all innovation-active businesses, N=268)



Who developed product innovations?
(% of product innovators, N=211)

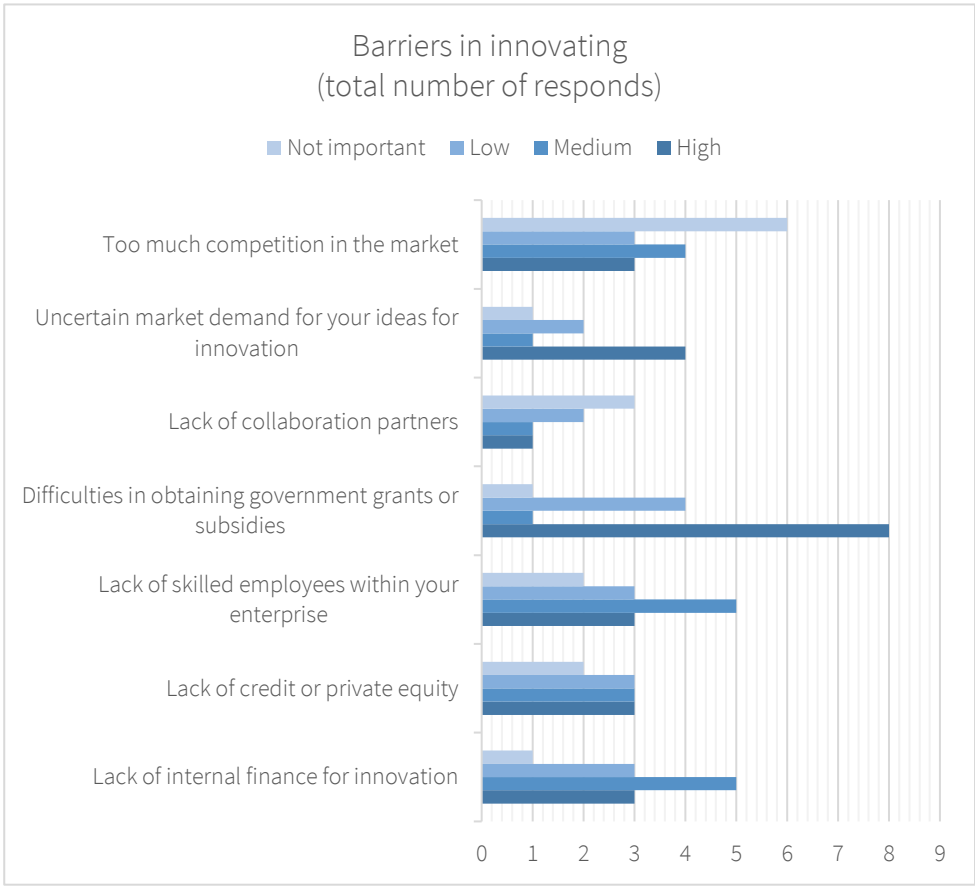
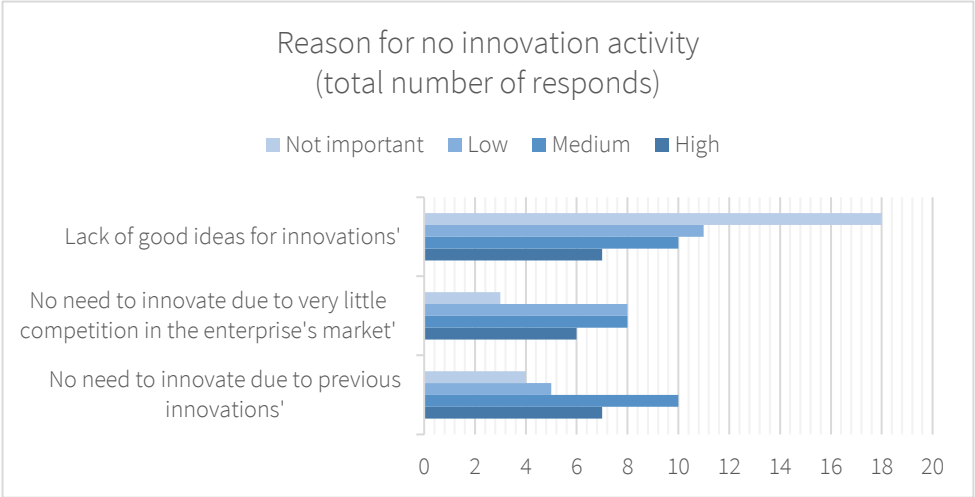


Innovation co-operation partner
(product and process innovation)
(% of innovative-active businesses, N=268)



BARRIERS

- Non-innovative active enterprises stated that they had no compelling reason to innovate (68%) or considered innovating, but barriers were too high (31%).
- Difficulties in obtaining government grants or subsidies were reported as the most important barrier.
- Lacking internal finance for innovation, lack of skilled employees, and uncertain market demand were mentioned with medium or high importance.



COMPARISON WITH DATA FROM THE EU AND OECD

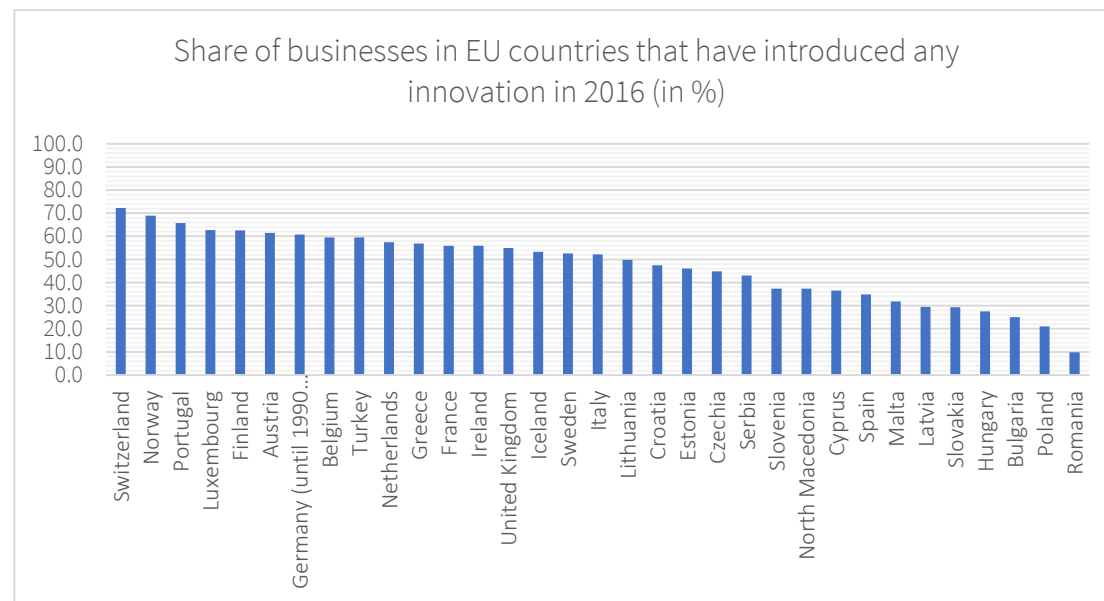
Innovation activities

In comparison with data of countries in the EU, Gippsland is performing well in terms of innovation activity. The results of the GBIS show that 63% of the responding businesses stated that they have introduced at least one of the four types of business innovation. A slightly lower figure (57,8%) was provided by the OECD for businesses in Australia (OECD 2019, based on ABS data). Australia ranks in the top ten of OECD countries in terms of its overall proportion of innovation-active businesses.

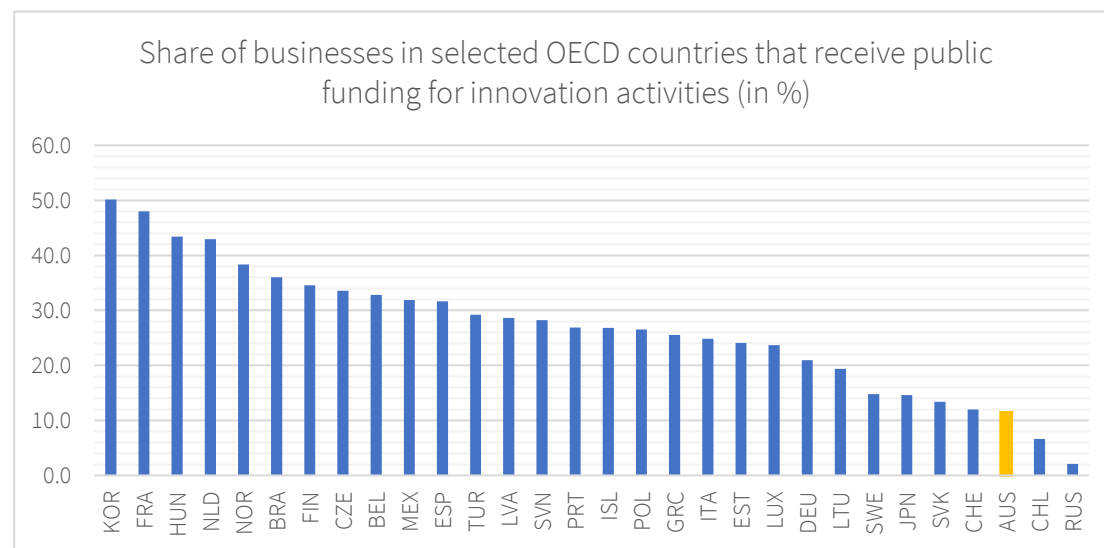
Public expenditure on innovation activities

Comparing the findings in terms of public sector support for innovation activities with other OECD countries, the results indicate that funding for innovation (research and development) is relatively low. The GBIS shows that 29 businesses (10% of innovative-active businesses) in Gippsland stated they had received public funding support for innovation activities. This number is comparable to data the OECD (2019) provides for Australia (11,5%). Australia lags in its overall expenditure, and rate of growth in spending on research & development, as described in the report 'Innovation and Science Australia 2017, Australia 2030: prosperity through innovation' (AusGov2017). The report further states: *"Despite having a high proportion of innovation-active businesses, Australia has a relatively low proportion of businesses that are R&D-active."* (AusGov2017).

Note: the comparison with the EU (CIS) and OECD data must be treated with caution as those datasets exclude smaller businesses with less than 10 employees and exclude a number of industry sectors such as 'Agriculture, Forestry and Fishing', 'Construction', 'Accommodation and Food Services' or 'Rental, Hiring and Real Estate Services' – all industry sectors that are highly relevant in Gippsland and other Victorian regions. The ABS (2017) provided a detailed analysis on the differences between ABS's CBS survey data and the EU's CIS.



Data source: Eurostat https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=inn_cis10_type&lang=en



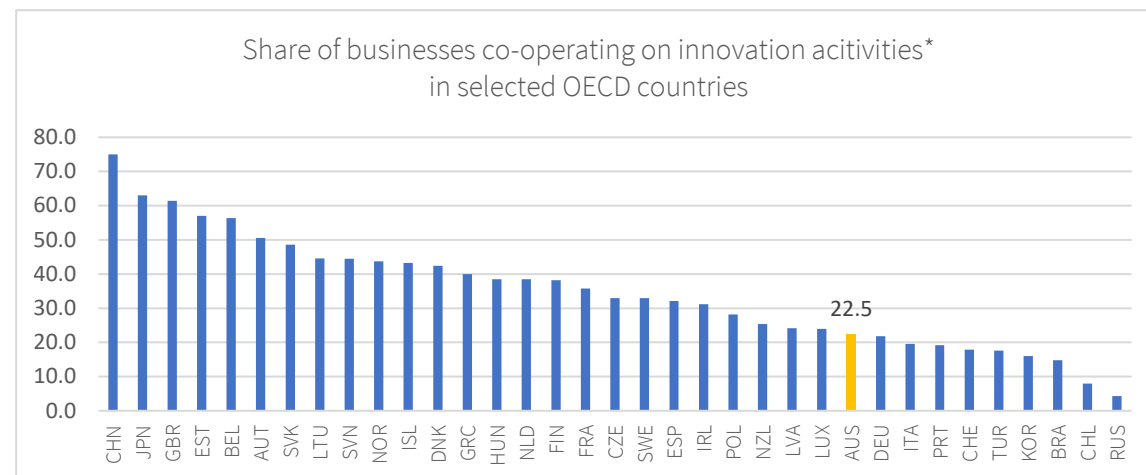
Data source: OECD, based on the 2019 OECD survey of national innovation statistics and the Eurostat's Community Innovation Survey (CIS 2016), <http://www.oecd.org/sti/inno-stats.htm>

Innovation collaboration

The results of the GBIS indicate that the intensity of business collaborations for innovation are comparable with the Australian average (OECD 2019). The analysis of the GBIS shows that 47 of 227 innovation-active businesses (20%) cooperate with other firms or organisations on innovation for product and/or process innovations. The OECD provides the figure of 22,5% for Australia.

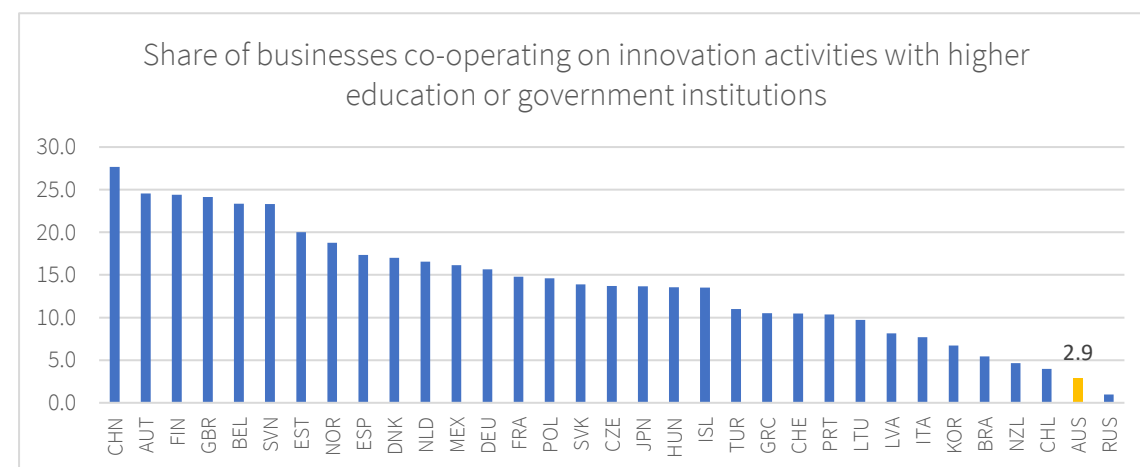
This relatively low rate has been discussed in a number of reports, most recently in the *Australian Innovation System Report 2016* (AusGov2016) which stated: “Australia ranks poorly against OECD comparators in most business-to-research and business-to-business collaboration indicators. Australian businesses also have comparatively low levels of international engagement with respect to intellectual property, joint R&D, and trade in goods and services.”

The GBIS results indicates that collaboration with universities and other higher education (6%) and other government, public, private research institutes (5%) is low but above the Australian average as data from OECD shows.



Data source: OECD, based on the 2019 OECD survey of national innovation statistics and the Eurostat's Community Innovation Survey (CIS 2016), <http://www.oecd.org/sti/inno-stats.htm>

*As a percentage of product and/or process innovative firms, including abandoned or ongoing innovation activities (regardless of organisational or marketing innovation).

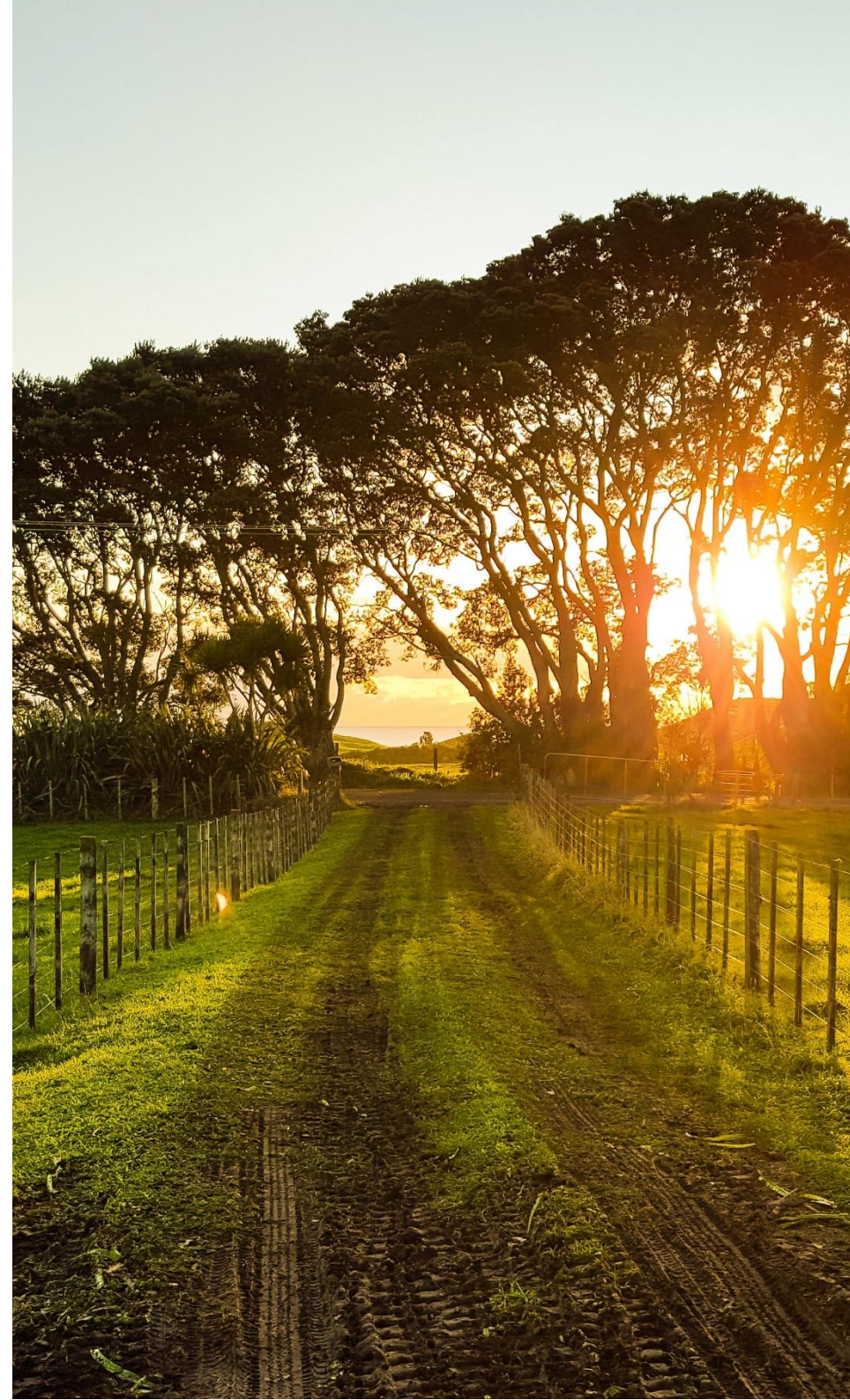


Data source: OECD, based on the 2019 OECD survey of national innovation statistics and the Eurostat's Community Innovation Survey (CIS 2016), <http://www.oecd.org/sti/inno-stats.htm>

*As a percentage of product and/or process innovative firms, including abandoned or ongoing innovation activities (regardless of organisational or marketing innovation).

03 RECOMMENDATIONS

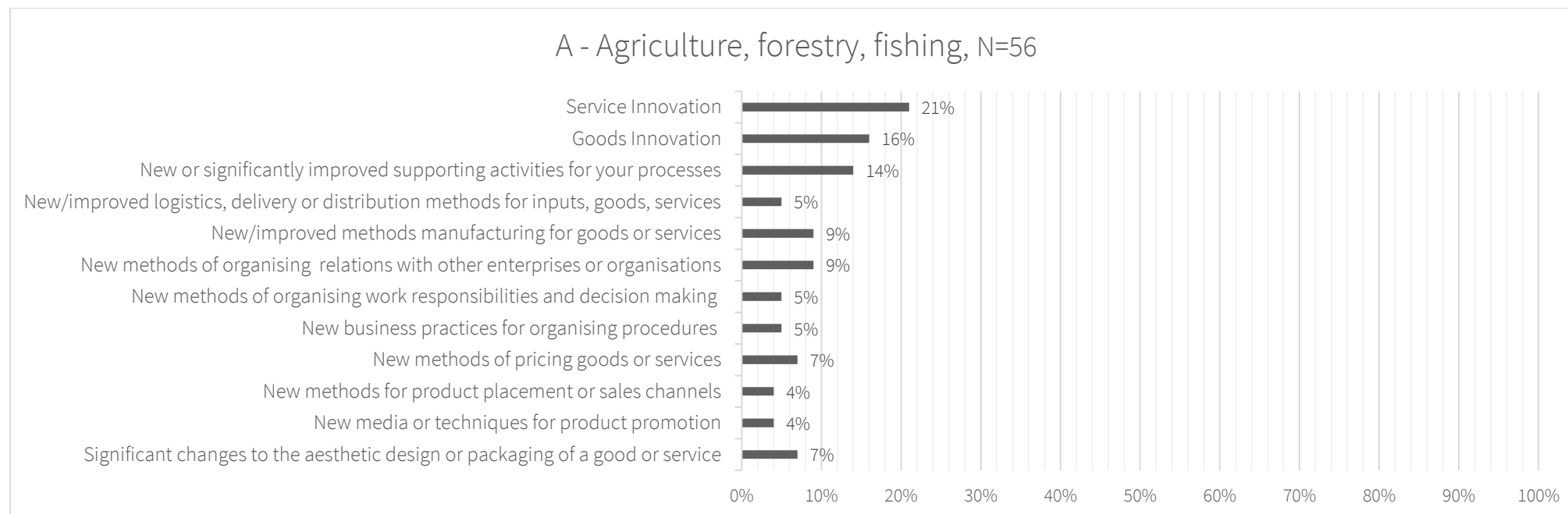
- The continuation of this annual survey would be highly valuable to gain a more in-depth understanding of Gippsland's specific regional business innovation system. More data is needed to obtain more statistically robust results as some industry sectors were underrepresented in the GBIS 2019. A continuing survey, which could also compare other regions in Victoria and Australia, would also create a valuable longitudinal evidence base for regional innovation policy.
- Further dissemination of the survey results would be beneficial as it would increase the understanding of innovation among a variety of industries and communities in Gippsland and the willingness to participate in the survey. It would create transparency in evidence-based policy making and could encourage more businesses to innovate and collaborate.
- While the results of the GBIS indicates that Gippsland-based businesses are performing well in terms of innovation activity, there is scope to further strengthen business innovation by building skills and collaborative networks, supporting R&D and demonstrations projects, and providing platforms for knowledge exchange.
- Cross-sectoral cooperation in connection with the tertiary sector is the key to long-term economic development through new cooperation networks.
- The GBIS points to a very regional operational focus of businesses. Assessing (potential) market relations 'beyond Gippsland' to diversify the often very inward-looking business approaches would be valuable.
- Further policy measures would be beneficial to address the dominant micro-business environment in Gippsland through further collaborative demonstration projects and strengthening platforms of knowledge exchange and collaboration between a wide range of stakeholders.



04 APPENDIX

SECTOR-SPECIFIC INSIGHTS

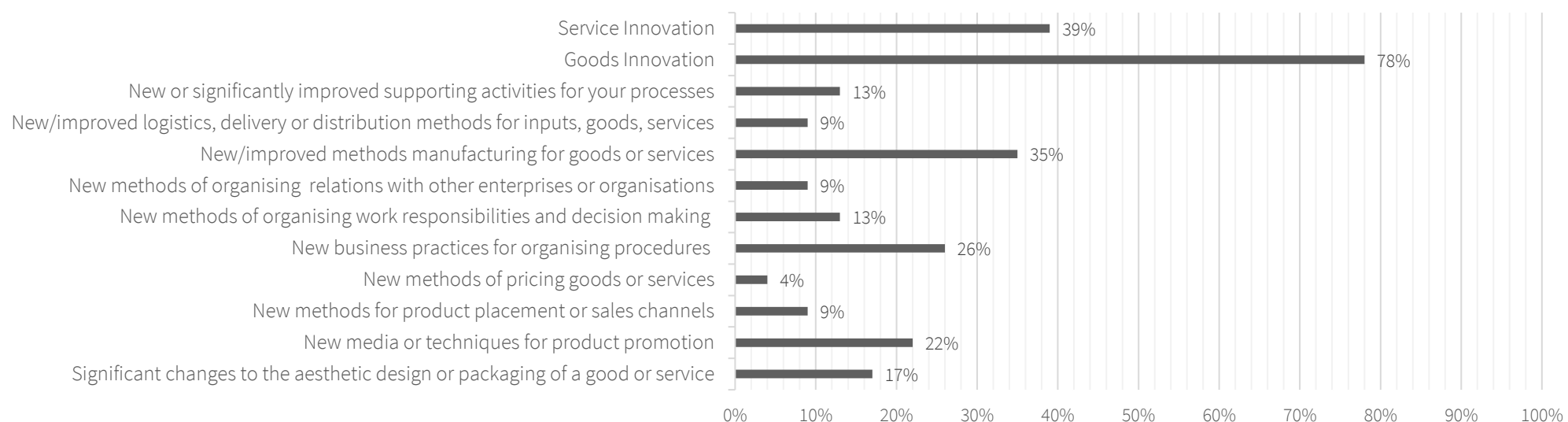




Sector specific findings

- 56 businesses affiliated to industry sector A responded.
- The sector is a lower innovation performer compared to the other industry sectors.
- 50% of those businesses (28 in total) reported innovation activities. However, this proportion is higher than data provided by the ABS (2019), which reported 34% innovation active businesses within the sector.
- Most activity within the sector was reported for service innovation – 12 businesses (21%) stated that they have introduced service innovation.
- A majority (29 of the businesses) could be linked to the industry sector sub-category ‘Beef Cattle Farming’ or ‘Dairy Farming’. 13 of those reported innovation activities.

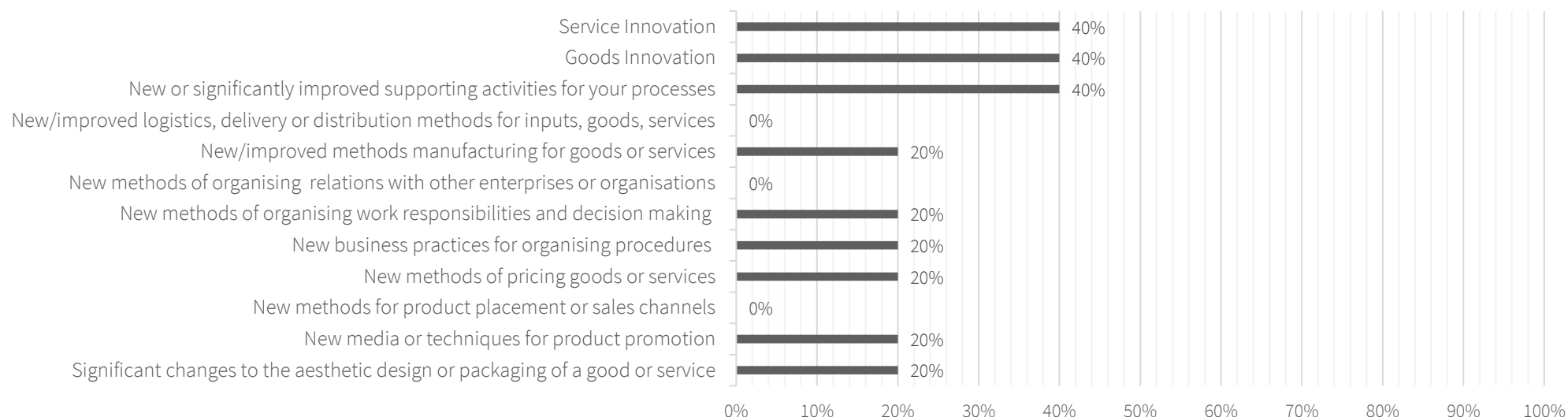
C - Manufacturing, N=23



Sector specific findings

- 23 businesses affiliated to industry sector C responded.
- The sector is the best innovation performer (rank 1) compared to the other industry sectors.
- All of the 23 businesses affiliated to Sector C reported innovation activities. Similarly, Australian national data provided by the ABS (2019) identified the manufacturing sector as a top performer (rank 2 with 62% after wholesale trade).
- Most activity was reported for goods innovation – 18 businesses (78%) stated that they have introduced goods innovation.
- 9 businesses were affiliated to the sub-category 'Food Product Manufacturing', 6 businesses were related to the sub-category 'Transport Equipment Manufacturing'.

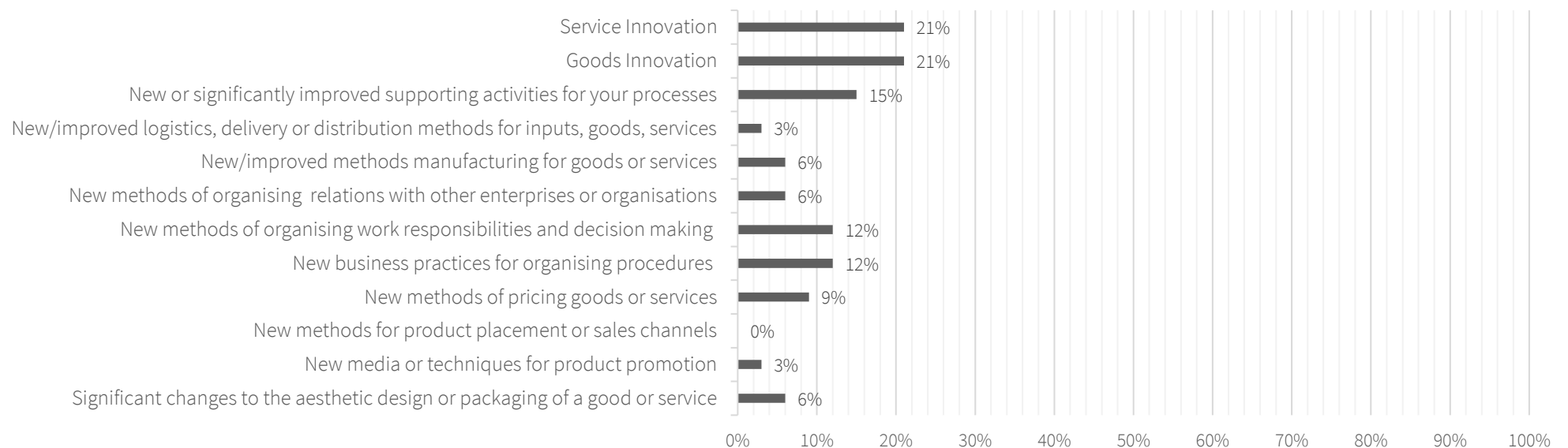
D – Electricity, Gas, Water and Waste Services, N=5



Sector specific findings

- A relatively low number of 5 businesses affiliated to industry sector D responded. The statistical significance is therefore limited.
- The sector is a moderate innovation performer compared to the other industry sectors.
- 60% of the businesses (3 in total) reported innovation activities. Similarly, Australian national data provided by the ABS (2019) identified 49% of innovative-active businesses within the sector.
- Most activities were reported for service, goods and process innovations.
- The responded businesses were affiliated to the sub-category 'Electricity supply' (3 businesses) and 'Water supply, Sewerage and drainage services' (2 businesses).

E - Construction, N=33



Sector specific findings

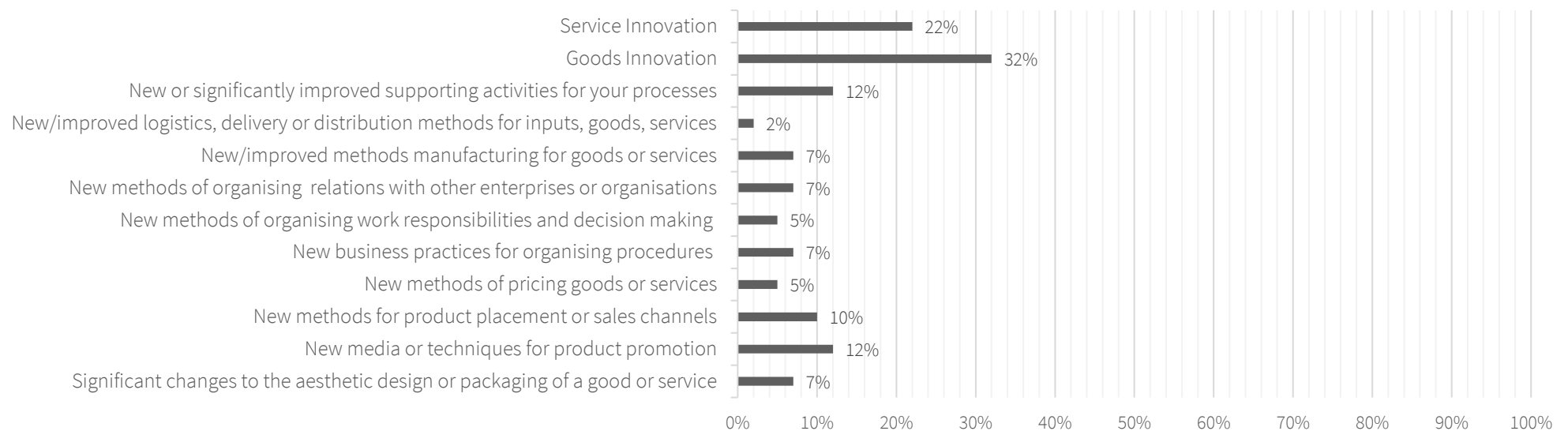
- 33 businesses affiliated to industry sector E responded.
- The sector is a low innovation performer compared to the other industry sectors.
- 52% of the businesses (17 in total) reported innovation activities. Also the Australian national data provided by the ABS (2019) identified the sector as one of the lowest innovation performers with 39%.
- Most activity was reported for service, goods innovations.
- Most businesses were affiliated to the sub-category 'Building construction' (11 businesses) and 'Construction services' (18 businesses).



Sector specific findings

- A low number of 10 businesses affiliated to industry sector F responded. The statistical significance is therefore limited.
- The sector is a high innovation performer (rank 3) compared to the other industry sectors.
- 70% of the businesses (7 in total) reported innovation activities. The Australian national data provided by the ABS (2019) identified the sector as the top performer in Australia with 64% of businesses.
- Most activity was reported for goods and service innovations.
- Most businesses were affiliated to the sub-categories 'Machinery and Equipment Wholesaling' (4 businesses) and 'Other goods wholesaling' (3 businesses).

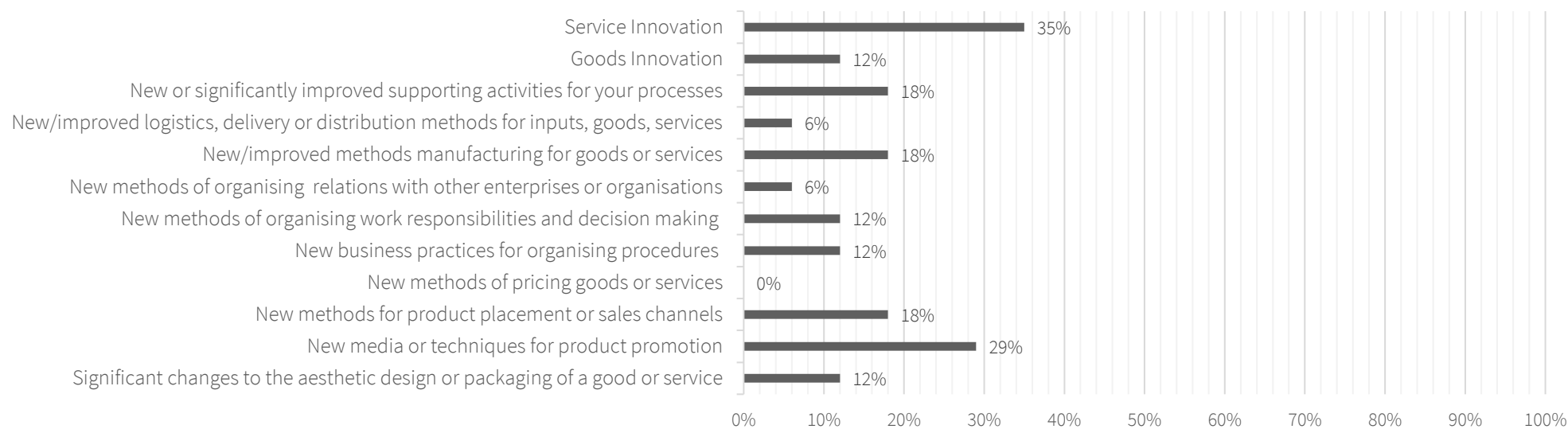
G - Retail Trade, N=41



Sector specific findings

- 41 businesses affiliated to industry sector G responded.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 13).
- 54% of the businesses (22 in total) reported innovation activities. In slight contrast, the Australian national data provided by the ABS (2019) identified the sector as the top performer in Australia (rank 5).
- Most activity was reported for goods and service innovations.
- Most businesses were affiliated to the sub-categories 'Other Store-based retailing' (16 businesses) and 'Non-Store Retailing and Retail Commission-Based Buying and/or Selling' (13 businesses), and 'Food retailing' (9 businesses).

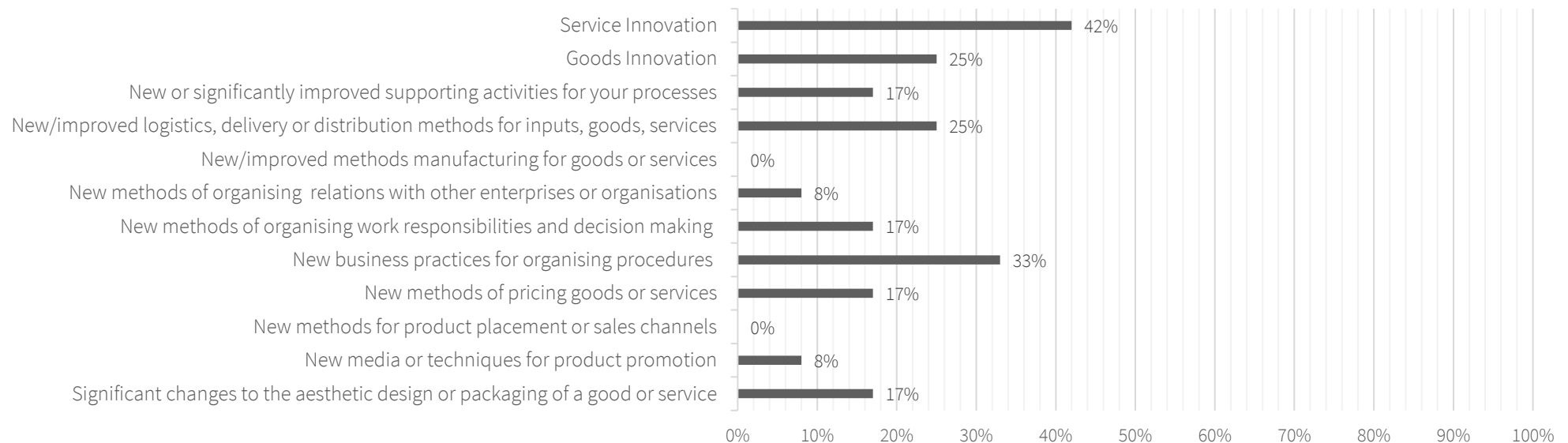
H - Accommodation and Food services, N=17



Sector specific findings

- 17 businesses affiliated to industry sector H responded.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 8).
- 65% of the businesses (11 in total) reported innovation activities. In slight contrast, the Australian national data provided by the ABS (2019) identified the sector as a high performer in Australia (rank 4) with 56%.
- Most activity was reported for service innovations and marketing innovations (new media or techniques for product promotion).
- The businesses were affiliated to the sub-categories 'Accommodation' (8 businesses) and 'Food and beverage services' (9 businesses).

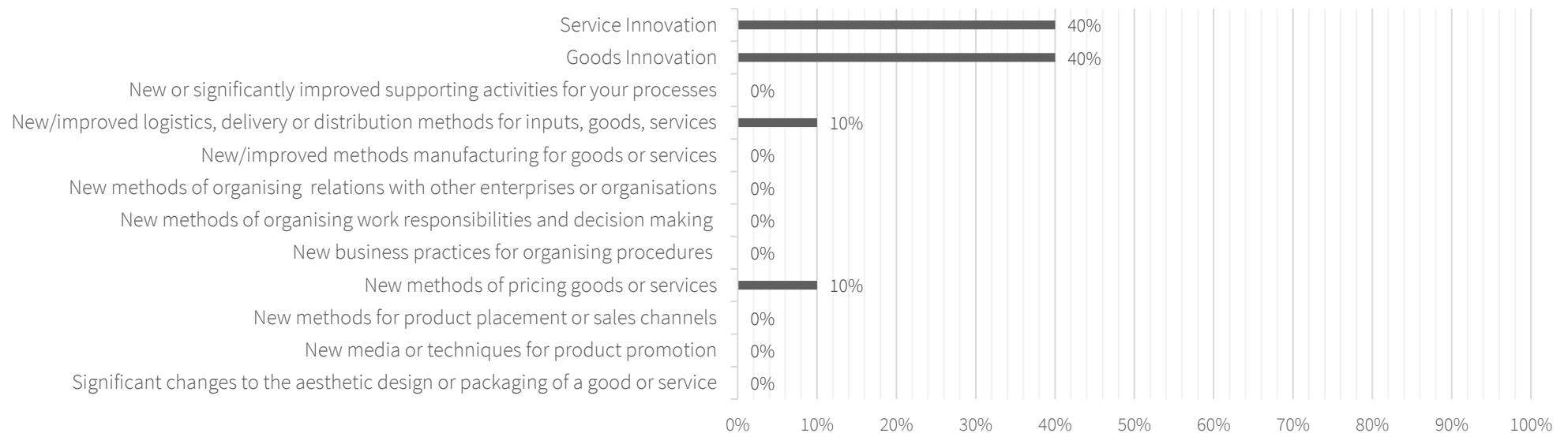
I - Transport, Postal, Warehousing, N=12



Sector specific findings

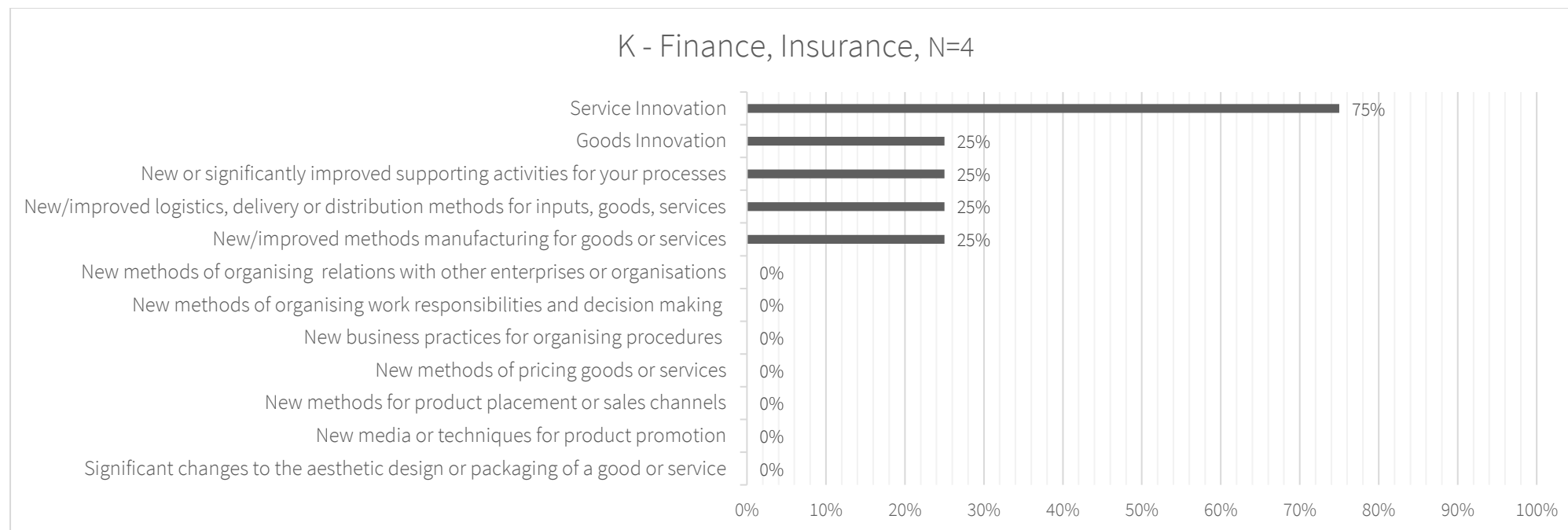
- 12 businesses affiliated to industry sector I responded.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 12).
- 58% of the businesses (7 in total) reported innovation activities. In slight contrast, the Australian national data provided by the ABS (2019) identified the sector as the second lowest performer in Australia (rank 16, in front of sector A – Agriculture, Forestry and Fishing).
- Most activity was reported for service and organisational innovations.
- Most businesses were affiliated to the sub-categories 'road transport' (7 businesses).

J - Information Media and Telecommunications, N=10



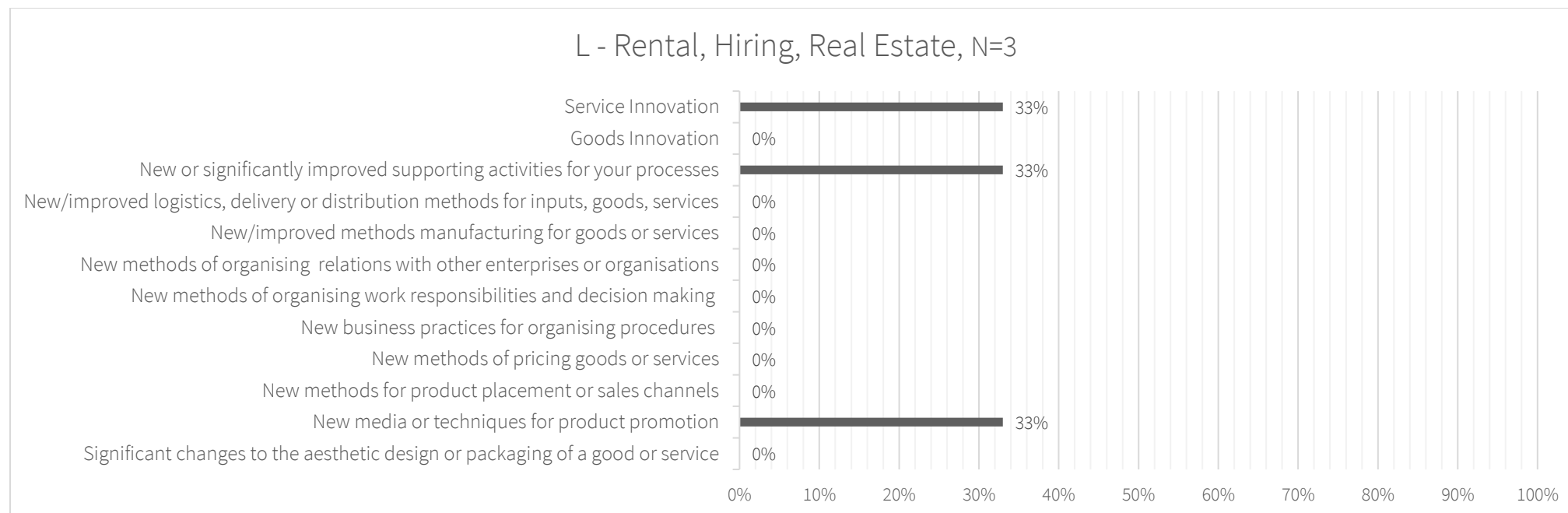
Sector specific findings

- A relatively low number of 10 businesses affiliated to industry sector J responded. The statistical significance is therefore limited.
- The sector is a high innovation performer compared to the other industry sectors (rank 5).
- 70% of the businesses (7 in total) reported innovation activities. Similarly, the Australian national data provided by the ABS (2019) identified the sector as the third highest performer in Australia (after the sectors Wholesale Trade and Manufacturing).
- Most activity was reported for service and goods innovations.
- Most businesses were affiliated to the sub-categories 'Publishing (except Internet and Music Publishing)' (5 businesses) and 'Internet Service Providers, Web Search Portals and Data Processing Services' (3 businesses).



Sector specific findings

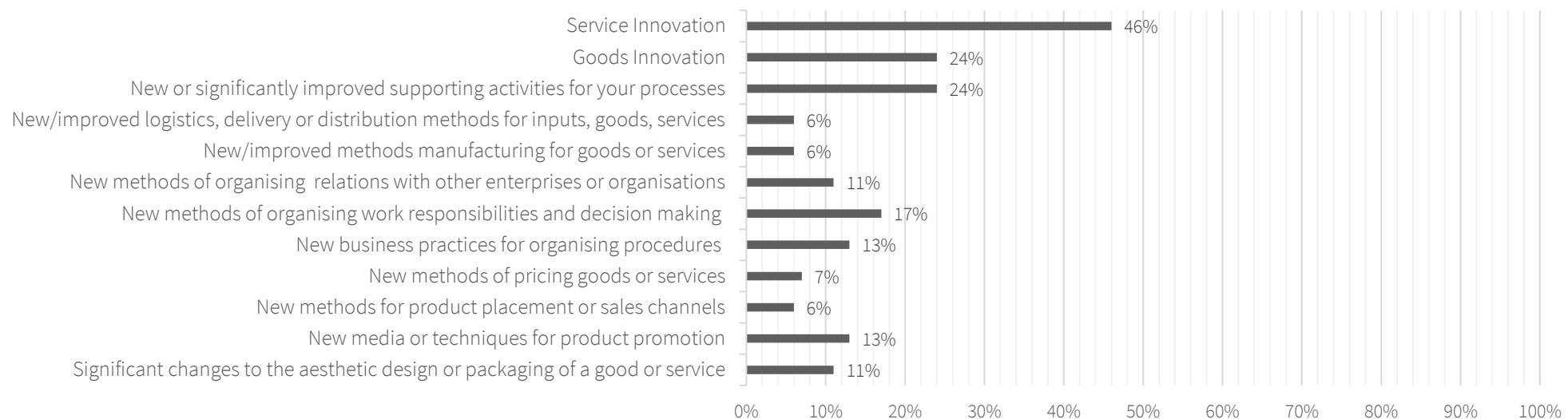
- A very low number of 4 businesses affiliated to industry sector K responded. The statistical significance is therefore limited.
- The sector is a high innovation performer compared to the other industry sectors (rank 3).
- 75% of the businesses (3 in total) reported innovation activities. Similarly, the Australian national data provided by the ABS (2019) identified the sector as the high performer in Australia (rank 7).
- Most activity was reported for service innovations.
- The businesses were affiliated to the sub-categories 'Finance' (2 businesses) and 'Auxiliary Finance and Insurance Services' (2 businesses).



Sector specific findings

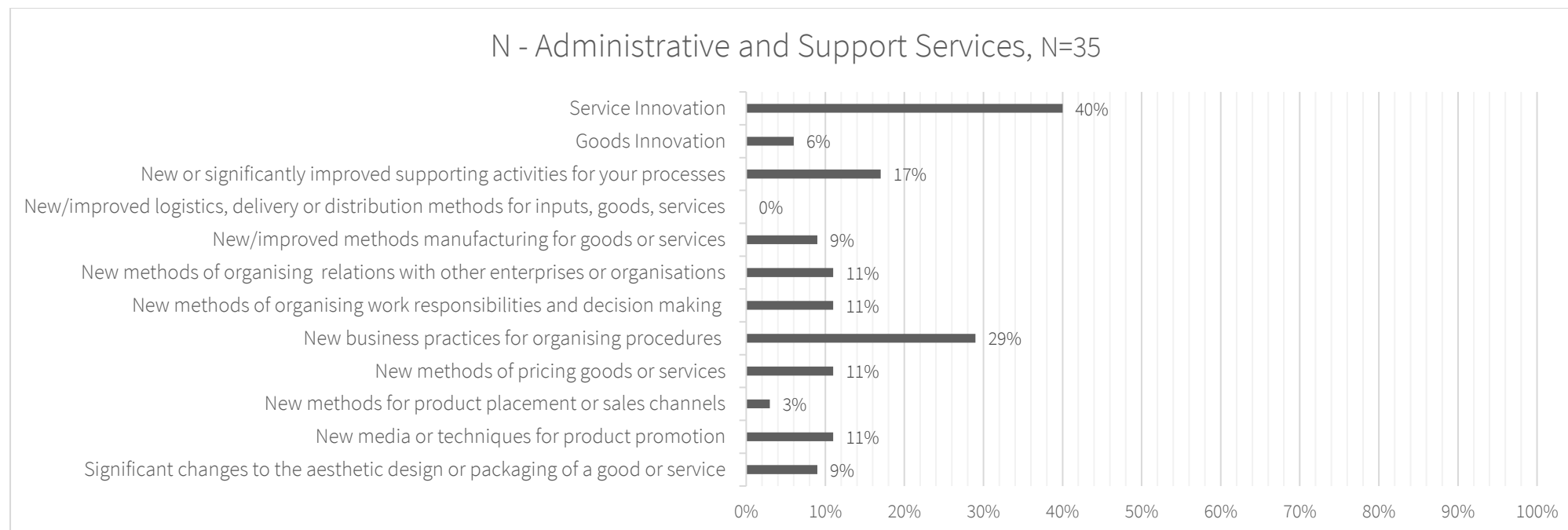
- A very low number of 3 businesses affiliated to industry sector L responded. The statistical significance is therefore limited.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 7).
- 67% of the businesses (2 in total) reported innovation activities. Similarly, the Australian national data provided by the ABS (2019) identified the sector as a moderate performer (rank 11).
- Activity was reported for service, process and marketing innovations.
- Businesses were affiliated to the sub-categories 'Rental and Hiring Services (except Real Estate)' (2 businesses) and 'Property Operators and Real Estate Services' (1 business).

M - Professional, Scientific and Technical Services, N=54



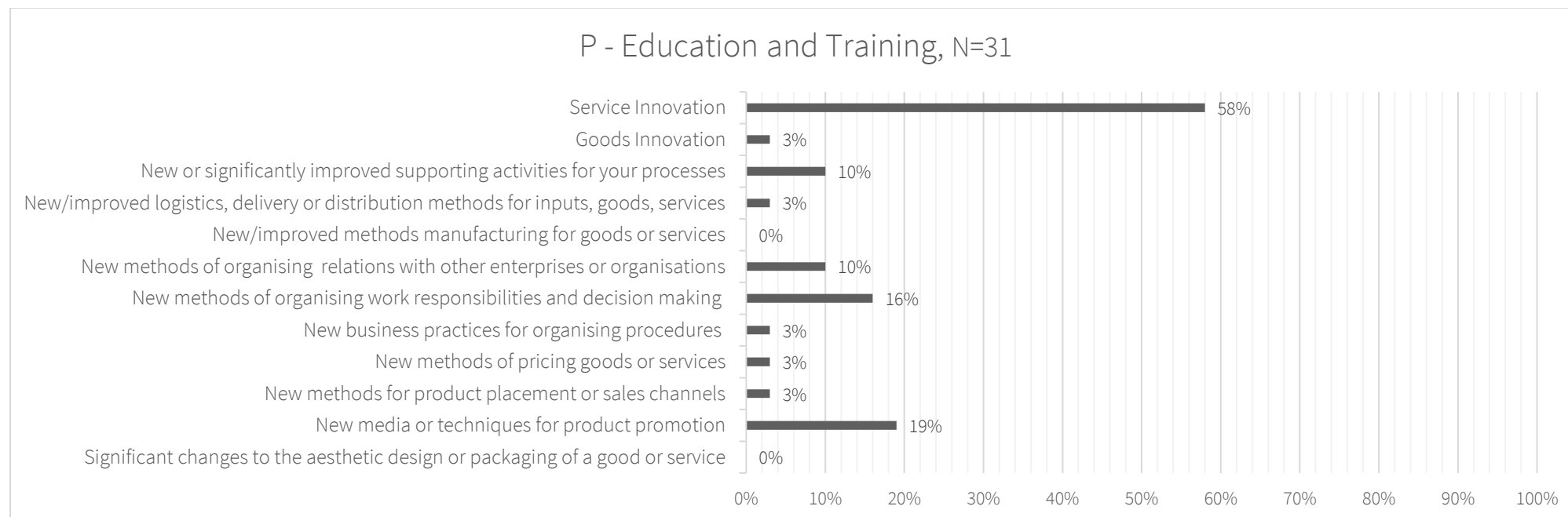
Sector specific findings

- 54 businesses affiliated to industry sector M responded.
- The sector is a high innovation performer compared to the other industry sectors (rank 4).
- 70% of the businesses (38 in total) reported innovation activities. The Australian national data provided by the ABS (2019) identified the sector as a rather moderate performer (rank 10 with 53%).
- Activity was reported for all innovation types, most reported were service innovations.
- Businesses were affiliated to the sub-categories 'Professional, Scientific and Technical Services (except Computer System Design and Related Services)' (36 businesses) and 'Computer System Design and Related Services' (17 businesses).



Sector specific findings

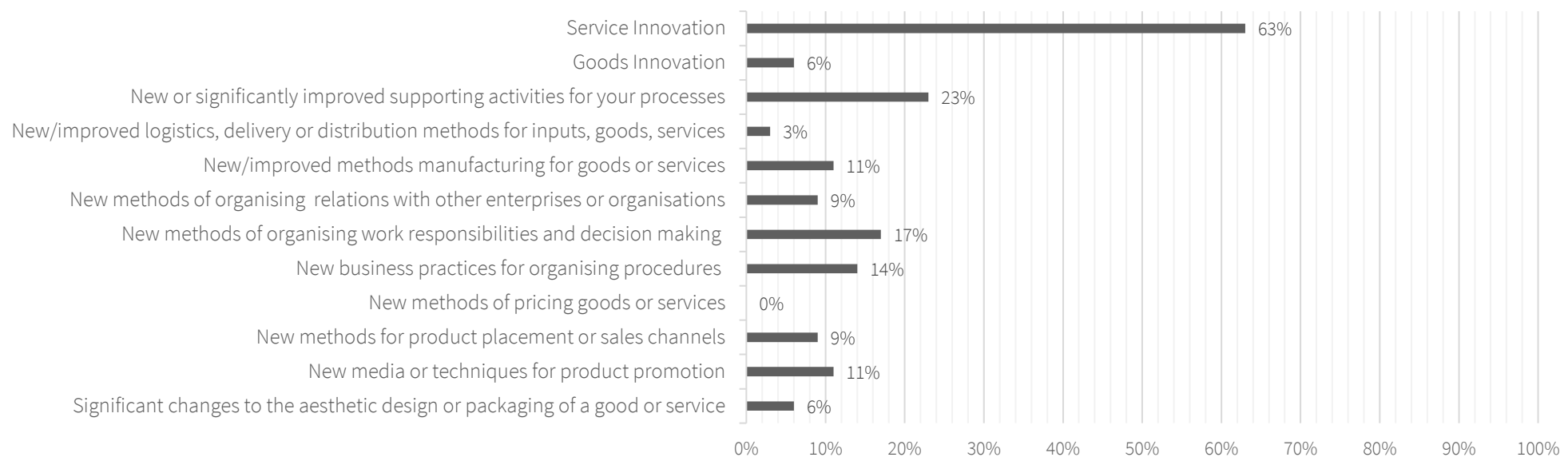
- 35 businesses affiliated to industry sector N responded.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 9).
- 63% of the businesses (22 in total) reported innovation activities. Similarly, the Australian national data provided by the ABS (2019) identified the sector as a rather moderate performer (rank 13 with 53%).
- Most reported were service and organisational innovations.
- Businesses were affiliated to the sub-categories 'Administrative service' (19 businesses) and 'Building Cleaning, Pest Control and Other Support Services' (17 businesses).



Sector specific findings

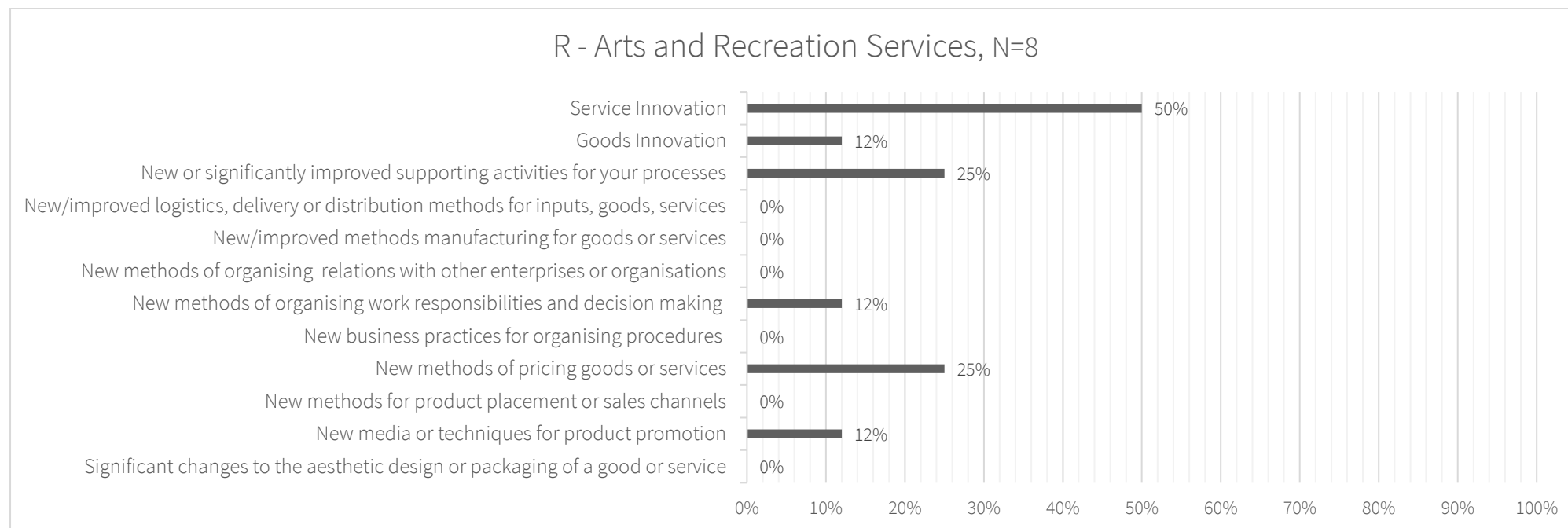
- 31 businesses affiliated to industry sector P responded.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 9).
- 71% of the businesses (22 in total) reported innovation activities. There is no data on this sector provided by the ABS.
- Most reported were service innovations.
- Businesses were affiliated to the sub-categories 'Education and Training - Adult, Community and Other Education' (22 businesses).

Q - Health Care and Social Assistance, N=35



Sector specific findings

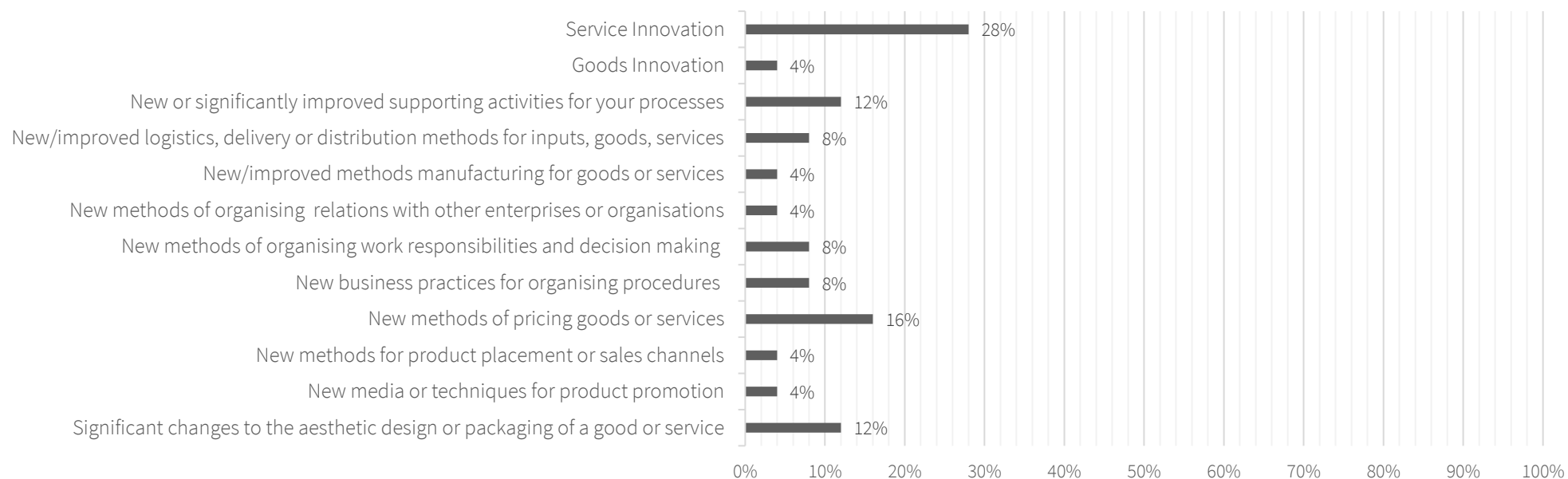
- 35 businesses affiliated to industry sector Q responded.
- The sector is a high innovation performer compared to the other industry sectors (rank 2 after manufacturing).
- 77% of the businesses (27 in total) reported innovation activities. The Australian national data provided by the ABS (2019) identified the sector as a rather moderate performer (rank 8 with 53%).
- Most reported were service innovations.
- Businesses were affiliated to the sub-categories 'Medical and Other Health Care Services' (25 businesses).



Sector specific findings

- A low number of 8 businesses affiliated to industry sector R responded. The statistical significance is therefore limited.
- The sector is a moderate innovation performer compared to the other industry sectors (rank 10).
- 63% of the businesses (5 in total) reported innovation activities. The Australian national data provided by the ABS (2019) identified the sector as a rather high performer (rank 6 with 56%).
- Most reported were service innovations.
- Businesses were affiliated to the sub-categories 'Creative and Performing Arts Activities' (7 businesses).

S - Other Services, N=25



Sector specific findings

- 25 businesses affiliated to industry sector S responded.
- The sector is a low innovation performer compared to the other industry sectors (second last after Agriculture and before mining, rank 16).
- 40% of the businesses (10 in total) reported innovation activities. The Australian national data provided by the ABS (2019) identified the sector as a rather moderate performer (rank 9 with 53%).
- Most reported were service innovations.
- Businesses were affiliated to the sub-categories 'Personal and Other Services' (15 businesses) and 'Other Services - Repair and Maintenance' (10 businesses).

OVERVIEW - ANZSIC INDUSTRY CODES

Australian and New Zealand Standard Industrial Classification (ANZSIC)

Developed by the Australian Bureau of Statistics and Statistics New Zealand in order to make it easier to compare industry statistics between the two countries and with the rest of the world.

A — Agriculture, Forestry and Fishing 01 — Agriculture 02 — Aquaculture 03 — Forestry and Logging 04 — Fishing, Hunting and Trapping 05 — Agriculture, Forestry and Fishing Support Services	I — Transport, Postal and Warehousing 46 — Road Transport 47 — Rail Transport 48 — Water Transport 49 — Air and Space Transport 50 — Other Transport 51 — Postal and Courier Pick-up and Delivery Services 52 — Transport Support Services 53 — Warehousing and Storage Service
B — Mining 06 — Coal Mining 07 — Oil and Gas Extraction 08 — Metal Ore Mining 09 — Non-Metallic Mineral Mining and Quarrying 10 — Exploration and Other Mining Support Services	J — Information Media and Telecommunications 54 — Publishing (except Internet and Music Publishing) 55 — Motion Picture and Sound Recording Activities 56 — Broadcasting (except Internet) 57 — Internet Publishing and Broadcasting 58 — Telecommunications Services 59 — Internet Service Providers, Web Search Portals and Data Processing Services 60 — Library and Other Information Services
C — Manufacturing 11 — Food Product Manufacturing 12 — Beverage and Tobacco Product Manufacturing 13 — Textile, Leather, Clothing and Footwear Manufacturing 14 — Wood Product Manufacturing 15 — Pulp, Paper and Converted Paper Product Manufacturing 16 — Printing (including the Reproduction of Recorded Media) 17 — Petroleum and Coal Product Manufacturing 18 — Basic Chemical and Chemical Product Manufacturing 19 — Polymer Product and Rubber Product Manufacturing 20 — Non-Metallic Mineral Product Manufacturing 21 — Primary Metal and Metal Product Manufacturing 22 — Fabricated Metal Product Manufacturing 23 — Transport Equipment Manufacturing 24 — Machinery and Equipment Manufacturing 25 — Furniture and Other Manufacturing	K — Financial and Insurance Services 62 — Finance 63 — Insurance and Superannuation Funds 64 — Auxiliary Finance and Insurance Services
D — Electricity, Gas, Water and Waste Services 26 — Electricity Supply 27 — Gas Supply 28 — Water Supply, Sewerage and Drainage Services 29 — Waste Collection, Treatment and Disposal Services	L — Rental, Hiring and Real Estate Services 66 — Rental and Hiring Services (except Real Estate) 67 — Property Operators and Real Estate Services
E — Construction 30 — Building Construction 31 — Heavy and Civil Engineering Construction 32 — Construction Services	M — Professional, Scientific and Technical Services 69 — Professional, Scientific and Technical Services (Except Computer System Design and Related Services) 70 — Computer System Design and Related Services
F — Wholesale Trade 33 — Basic Material Wholesaling 34 — Machinery and Equipment Wholesaling 35 — Motor Vehicle and Motor Vehicle Parts Wholesaling 36 — Grocery, Liquor and Tobacco Product Wholesaling 37 — Other Goods Wholesaling 38 — Commission-Based Wholesaling	N — Administrative and Support Services 72 — Administrative Services 73 — Building Cleaning, Pest Control and Other Support Services
G — Retail Trade 39 — Motor Vehicle and Motor Vehicle Parts Retailing 40 — Fuel Retailing 41 — Food Retailing 42 — Other Store-Based Retailing 43 — Non-Store Retailing and Retail Commission-Based Buying and/or Selling	O — Public Administration and Safety 75 — Public Administration 76 — Defence 77 — Public Order, Safety and Regulatory Services
H — Accommodation and Food Services 44 — Accommodation 45 — Food and Beverage Services	P — Education and Training 80 — Preschool and School Education 81 — Tertiary Education 82 — Adult, Community and Other Education
	Q — Health Care and Social Assistance 84 — Hospitals 85 — Medical and Other Health Care Services 86 — Residential Care Services 87 — Social Assistance Services 88 — Pharmaceutical
	R — Arts and Recreation Services 89 — Heritage Activities 90 — Creative and Performing Arts Activities 91 — Sports and Recreation Activities 92 — Gambling Activities
	S — Other Services 94 — Repair and Maintenance 95 — Personal and Other Services 96 — Private Households Employing Staff and Undifferentiated Goods- and Service-Producing Activities of Households for Own Use

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