



Performance Indicators of the Australian Innovation System

It is not possible to understand the breadth and depth of the Australian Innovation System, through a single indicator. As such, we have produced a series of tables that measure the input, output and outcomes of Australia's innovation system. These tables explore a multitude of aspects, including innovation and R&D investments, businesses collaborative performance, outputs of the education and research systems, framework conditions for innovation and levels of entrepreneurship and international engagement within Australia through time. We also compare Australia internationally to provide a benchmark and an understanding of how close Australia is to the innovation frontier.

The tables in this Appendix present annual data. Some indicators provide data based on financial year (FY), others on calendar year. This is explained in the Tables notes. We use the criterion of latest available annual data for the all indicators.

The left hand side of the tables gives an overview of the trends and show how Australia is performing over time in a particular indicator. The right hand side of the tables compares Australia to the category OECD+. This category includes all countries belonging to the OECD, plus Singapore, China and Taiwan. These three countries have been included in our calculations because they are also actively involved in improving their own innovation systems and close to the frontier in many indicators.

There are a number of rules applied for any indicator with OECD+ comparisons. Firstly, there must be a minimum of 15 countries which have data available for the same year.

We have also had to account for methodological differences when comparing Australia internationally. This is particularly apparent when indicators are separated by firm size. Australia's definition of a SME is a business with between 0–199 employees, whereas the OECD defines a SME as having between 10–249 employees. Therefore, to compare Australian to our OECD+ counterparts, we have instituted a similar definition for *only* this section of the table, meaning that the 'Australia's score' column may not always match the data that is present in the left hand 'Australian Trend Data' section of the table. This is particularly the case for business innovation data.

Additionally there may be other methodological differences between data that is available internationally and those that are produced for Australia that may cause a difference between these figures. For example, large variations are recorded for the indicator named 'Percentage of innovation-active SMEs collaborating on innovation that collaborate with non-commercial research institutions' as Australia's data is traditionally calculated as a percentage of all types of innovation performed by firms, while the OECD+ data is calculated by looking at a specific cohort of those firms that introduced product or process of innovation only.

The original source material is referenced at the bottom of each table.