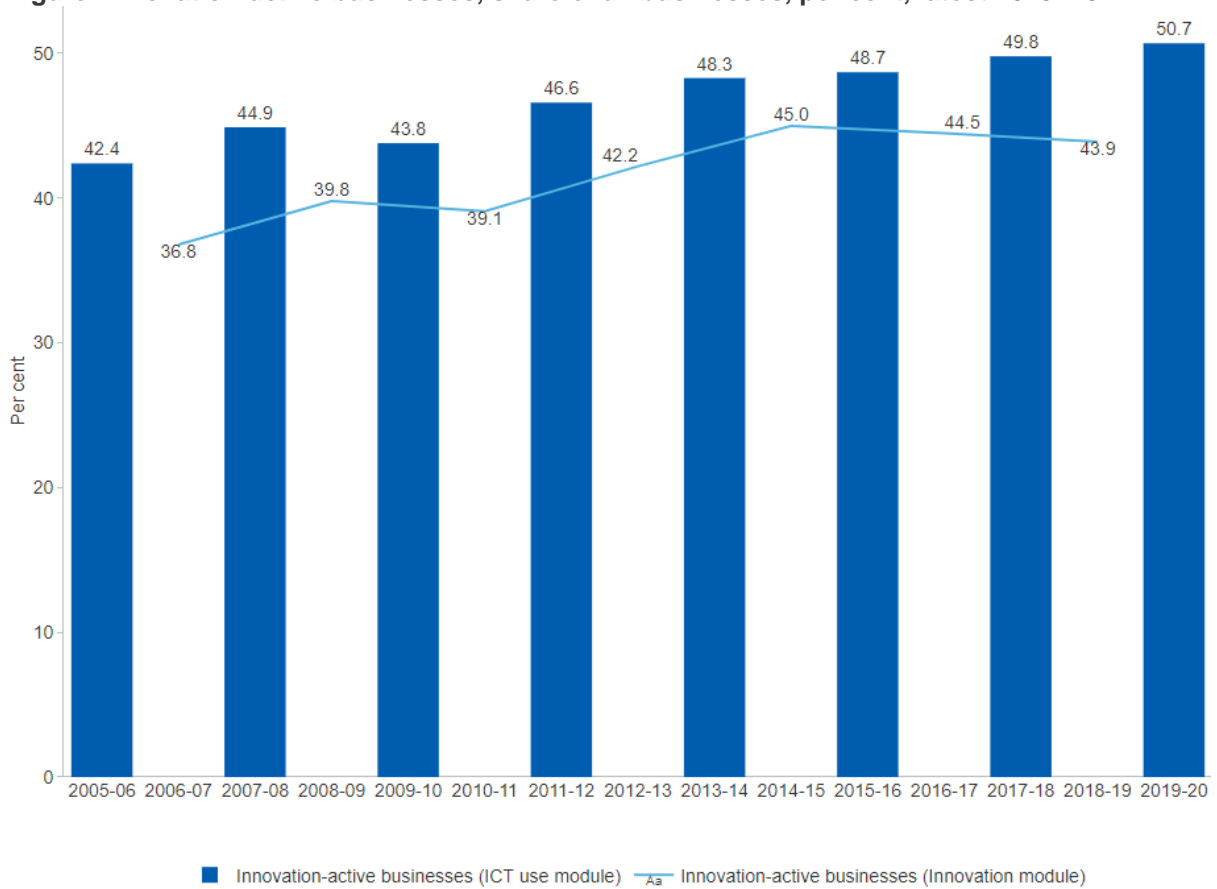


### 1.1.1 Innovation activity overall

The proportion of businesses undertaking innovation is a key measure of performance in the innovation system. Based on survey data published by the Australian Bureau of Statistics (ABS), about half (50.7 per cent) of all Australian businesses identified as *Innovation-active businesses* in 2019–20, which is a 0.9 percentage point increase compared to 2017–18 (the most recent comparable estimate). Innovation-active businesses are those that undertook any innovative activity, irrespective of whether the innovation was introduced, still in development or abandoned, during the reference period.<sup>1</sup> The data for this indicator are collected through the *Characteristics of Australian Business* survey, which alternates from year to year between focusing on innovation versus business use of information technology. This results in two slightly different versions of the same data series, both of which are displayed in the chart. When making comparisons over time, it is recommended that estimates from the same version be used.

**Figure: Innovation-active businesses, share of all businesses, per cent, latest 2019–20**



<sup>1</sup> ABS, *Characteristics of Australian Business*, Cat. No. 8129.0, Cat. No. 8158.0, Cat. No. 8166.0, Cat. No. 8167.0 and ABS.Stat (<https://www.abs.gov.au/>)