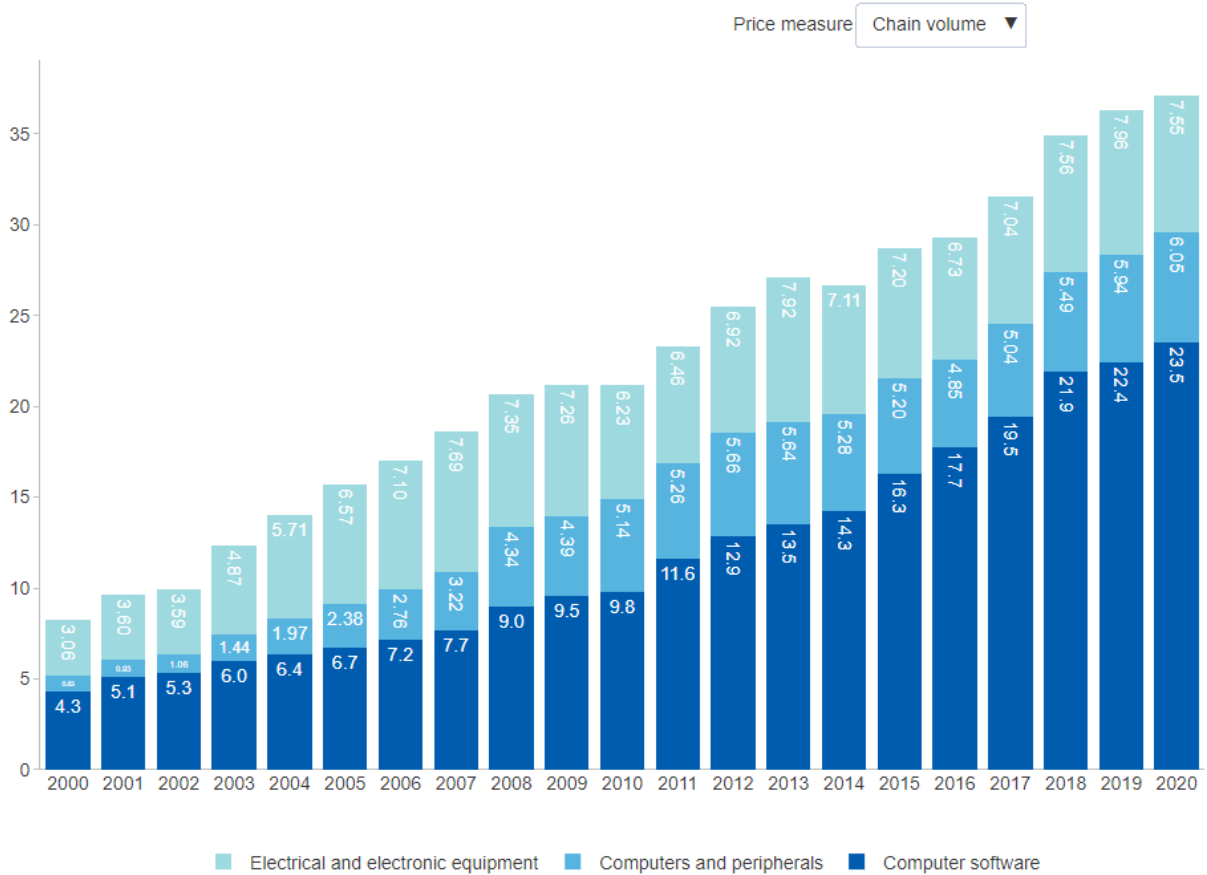


### 1.2.9 ICT capital investment

The digital economy is underpinned by advances across a range of digital technologies, facilitated by sustained rapid growth of investment in ICT capital goods and services over the past decades. A useful measure for this type of investment is the aggregate spending on *Computer software*, *Computers and peripherals*, and *Electrical and electronic equipment*. The data shows the disproportionate contribution of computer software investment, pointing to the importance of the application of knowledge and the accumulation of intangible capital more broadly. Over the last 20 years, investment in computer software increased more than five-fold in chain volume terms, from \$4.3 in 1999–00 to \$23.5 billion in 2019–20. At roughly 1.16 per cent of GDP, computer software currently accounts for nearly two-thirds of total investment in ICT across the three assets.<sup>1</sup>

**Figure: ICT gross capital investment, by asset type, current prices or chain volume, \$ billion, latest 2019–20**



<sup>1</sup> ABS, *Australian System of National Accounts*, Cat. No. 5204.0 (<https://www.abs.gov.au/statistics/economy/national-accounts/australian-system-national-accounts/latest-release>)