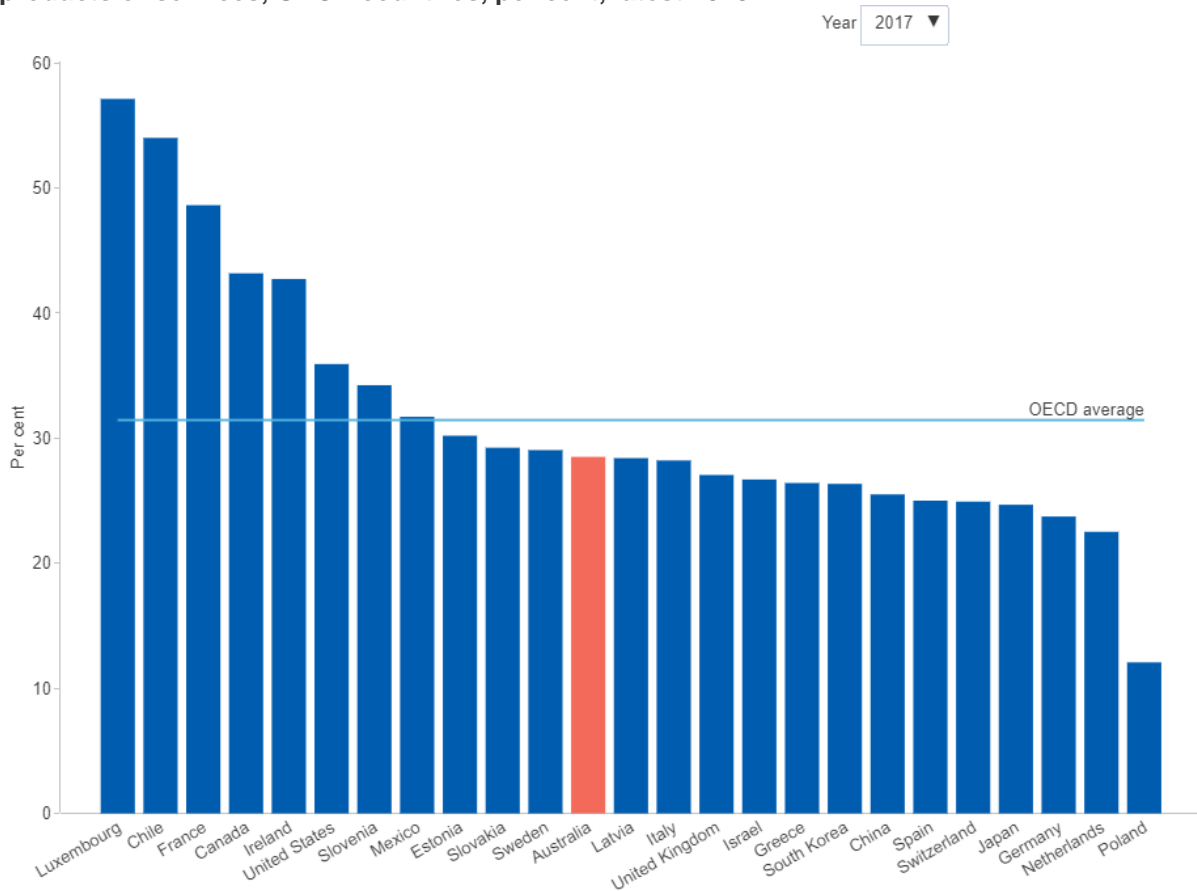


### 2.4.2 Innovative early-stage entrepreneurial activity

In addition to the headline total early-stage entrepreneurial activity (TEA) metric, the Global Entrepreneurship Monitor publishes information on the fraction of new businesses that offer new or improved products or services to the market. This indicator estimates the extent to which entrepreneurs are introducing products that are new to some or all customers, and that are offered by few or no competitors. In 2017, some 28.5 per cent of Australian adults involved in TEA (more than 513,000 entrepreneurs) indicated that their products or services were innovative, slightly below the OECD average of 31.5 per cent. *Australia's* estimates lag behind the *United States* and *Canada*, which have comparatively higher rates of innovative startups of 35.9 per cent and 43.2 per cent, respectively.<sup>1</sup> Risks associated with the COVID-19 pandemic suggest that new businesses and technologies may fail to emerge, impacting entrepreneurial activity in the medium to long term.<sup>2</sup>

**Figure: Early-stage entrepreneurial activity, share of new businesses with new innovative products or services, OECD countries, per cent, latest 2018**



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

<sup>2</sup> Renando C and Moyle C (2021) *Global Entrepreneurship Monitor 2019: Australia Report*, The Australian Centre for Entrepreneurship Research, QUT (<https://eprints.qut.edu.au/211612/>)