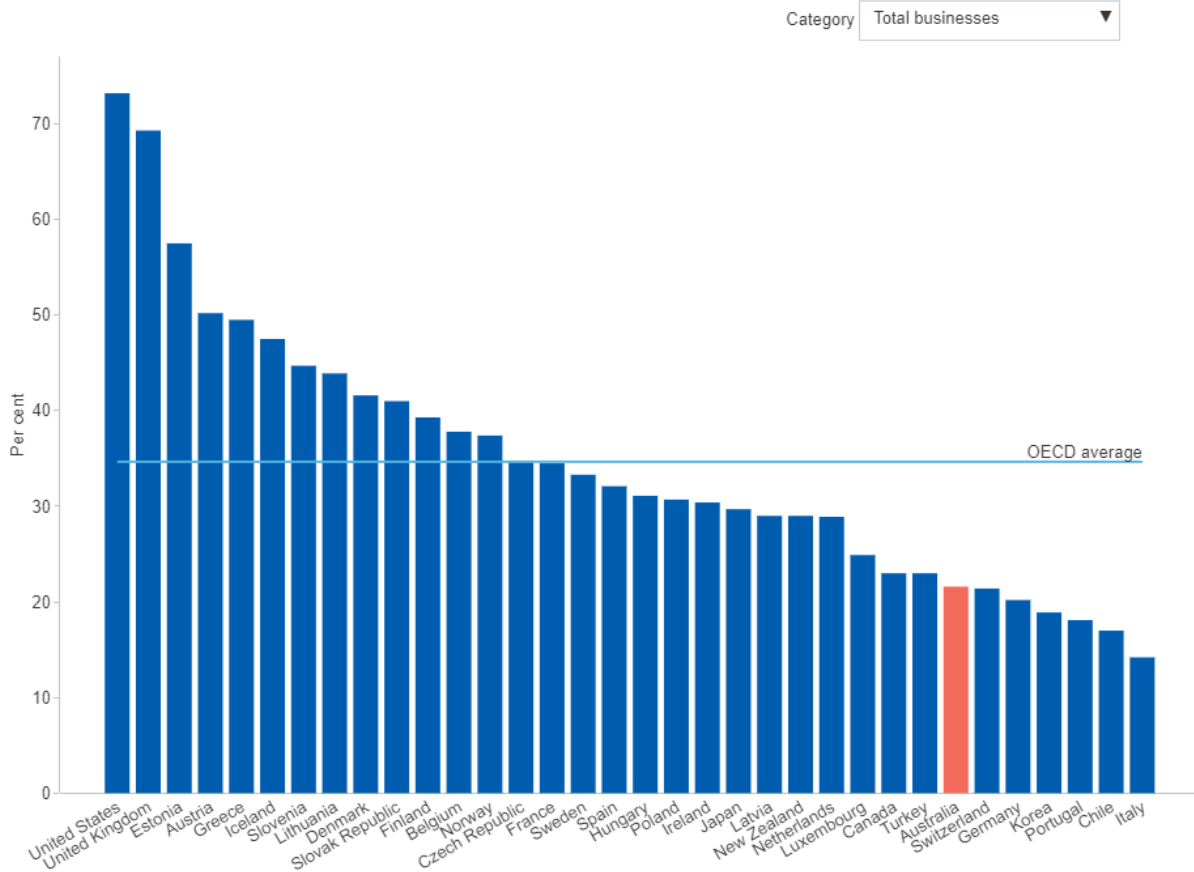


4.4.2 Businesses collaborating on innovation

Australia’s low rates of business collaboration turn up consistently across multiple metrics. One common measure is the share of innovation-active businesses that collaborate on innovation. On this measure, around 21.6 per cent of *Australian* innovation-active businesses are estimated to have engaged in some form of collaboration when developing or introducing innovation in 2016–17. By itself, this estimate may not seem particularly low — especially when compared with some of the other measures of collaboration — and it is certainly not the lowest result across the OECD countries. However, it is still considerably less than the latest available *OECD average* of 34.7 per cent. *Australia* ranks 28th out of 34 countries on this measure – the share of innovation-active businesses collaborating on innovation. Another useful measure is collaborative R&D by *R&D-active businesses*. For 2016–17, 40 per cent of *Australian* businesses collaborating on innovation undertake R&D, which is below the *OECD average* of 47 per cent. *Australia* ranks 23rd on this measure out of 32 countries.¹

Figure: Innovation-active businesses collaborating on innovation, only relates to product and/or process innovation, by category, OECD countries, per cent, latest 2019



¹ OECD (2019) *Innovation indicators*, OECD Publishing (<http://www.oecd.org/innovation/inno/inno-stats.htm>)