



New South Wales
Department of State and
Regional Development

First for Business

Sydney and New South Wales: First for Information and Communications Technology



The State of New South Wales (NSW) is Australia's premier State and a leading centre for Information and Communications Technology (ICT) in the Asia Pacific.

Its capital city, Sydney offers:

- a dynamic, low risk business environment in a strong, competitive economy
- an innovative, multilingual and cost-effective workforce
- exceptional technological infrastructure
- world-class research and development facilities.

Sydney's competitiveness has resulted in 76 per cent of Australia's ICT regional headquarters and regional operating centres locating in NSW. Most of the world's top ICT companies in Australia are based or headquartered in Sydney. These include IBM, Microsoft, Oracle-Peoplesoft, Sun Microsystems, SAP, SingTel-Optus, Hewlett Packard, CSC, BenQ, Marconi, Nokia, Panasonic, Sercel and Samsung.

Dynamic business environment in a competitive economy

NSW is a major economic force in the Asia Pacific. It has robust triple-A ratings from both Standard and Poor's and Moody's, reflecting the low political and business risk.

Sydney's time zone provides an eight-hour work cycle that straddles North America, Asia and Europe.

NSW has the largest number of ICT specialist businesses in Australia, 40 per cent of the nation's ICT employment, and accounts for 45 per cent of Australia's ICT equipment exports.

A multilingual and cost-effective workforce

NSW offers a proven high quality labour force with greater availability and at historically lower cost than in countries such as Singapore and Hong Kong. Specialist ICT businesses employ close to 100,000 people, including 26,000 in telecommunications.

Staff turnover in NSW is low, and remuneration can be 60 per cent lower than in countries such as Japan, Germany and the United States.

In 2003, there were almost 20,000 ICT students enrolled in the 11 universities in NSW, of which around 40 per cent came from overseas.

More than a quarter of Sydney's four million residents are fluent in a language other than English, and the State has the highest proportion of tertiary-educated Asian and European language speakers in Australia.



New South Wales Government

TECHNOLOGICAL INFRASTRUCTURE

Internet access and e-commerce uptake

Australia has a mature internet market, ranking sixth in the world in terms of internet penetration rates with 66 per cent of Australians using the internet in March 2005.

In 2003, 54 per cent of all NSW households had domestic internet access, translating to a total 1.4 million households across the State.

NSW is responsible for around one third of Australia's internet traffic and hosts more than 250 internet service providers.

Australia ranks ahead of Singapore, Germany, Korea, France and Japan for 'e-readiness', according to the 2005 Economist Intelligence Unit report. E-readiness measures a country's ability to support ICT business and internet-based opportunities.

Telecommunications

Australia's deregulated telecommunications industry offers vigorous competition and pricing flexibility for voice and data. Most of the Australian head offices for the world's leading telecommunications companies are based in Sydney, including AT&T, AAPT, British Telecom, Hutchison, NTT, PanAmSat, SingTel-Optus, Sprint International, Virgin Mobile and Vodafone.

NSW's increasing international bandwidth capacity, together with new providers entering the market, will enable it to maintain its competitive edge despite predicted falls in global pricing. This makes NSW an ideal regional base for businesses relying heavily on high volume use of international telecommunications services.

International connectivity

NSW has a highly developed and reliable telecommunications infrastructure with four high capacity international fibre optic cable networks linking Australia to the United States, Europe and Asia.

Sydney is a major internet-exchange point and telecommunications hub serviced by deep-sea fibre optic cables that link high-speed metro and intra-city fibre cable networks.

Internet data centres

Sydney is home to numerous internet data centres and telecommunications companies offering a range of services, including co-location, shared and dedicated hosting, data-warehousing, disaster recovery and managed services.

Leading infrastructure and service providers based in Sydney provide a strong base for the industry value chain. These include AsiaNetCom, AAPT, CSC, EDS, Fujitsu, Global Switch, SingTel-Optus, Equant, Sprint International and Telstra-Reach.



Wireless

Australia currently has 16.5 million mobile phone users, taking the total penetration rate to 82 per cent.

Two digital networks (GSM and CDMA) are presently operational in Australia, both covering more than 95 per cent of the population. Major mobile service providers – SingTel-Optus, Vodafone and Hutchison – are headquartered in Sydney, offering geographic breadth of service across Australia.

Digital content

NSW has a significant pool of digital content talent based in creative industries spanning advertising, film, television, post production, animation and special effects, and games development. Companies include Fox Studios, Walt Disney Animation Australia, Animal Logic and Yoram Gross EMTV. NSW's creative technologies workforce is highly skilled in computer science, mathematics, film, graphics, animation and games.

World class research and development facilities

Australia ranks second behind Singapore (and ahead of Ireland and the UK) as a centre for ICT research and development operations, according to a study undertaken in 2004 by the Economist Intelligence Unit. The study noted that Australia's costs are competitive and that it has human resources, ICT R&D infrastructure and operating environment advantages over its potential Asia Pacific competitors.

A number of international companies have established significant research and development centres in Sydney, including Avaya, Canon Information Systems Research Australia (CISRA), Citect, Citrix Systems, Honeywell and Unisys.

Many universities are closely linked to the Australian Technology Park (ATP), which is located less than five kilometres from the Sydney CBD. The ATP hosts three supercomputers that provide high performance computing for research and development applications. The ATP is also home to Australia's National ICT Centre of Excellence, NICTA.

NICTA is one of Australia's most important scientific research initiatives, driving the research and development underpinning high technology industries in the State. NICTA's 400 staff focus on research into infrastructure technologies, intelligent systems, software engineering, human-machine interaction and foundational theories and algorithms. World class researchers have been attracted to the centre from countries such as Germany, South Africa, the United States, Israel and Canada.

For further information, contact:

New South Wales Department of State and Regional Development

Level 49 MLC Centre, 19 Martin Place, Sydney GPO Box 5477, Sydney NSW 2001 Australia

Tel: +61 2 9338 6641 Fax: +61 2 9338 6728 Email: investment@business.nsw.gov.au www.business.nsw.gov.au