



Business Use of Information Technology



Australian businesses are keen users of information technology, with New South Wales the leading state in terms of numbers. At June 2005, 81% of the State's total businesses used the internet, while 23% had a web presence.

Australia ranks fourth in the OECD for the proportion of businesses with more than 10 employees using the internet, at 90%. The Australian Bureau of Statistics estimates over 84,000 Australian businesses earned income from internet or web orders in 2004-05, with online sales generating \$39.6 billion, up 19% from the previous year.

Australia's small and medium internet connected businesses have decisively upgraded from narrowband to broadband technologies. According to the latest Pacific Internet Broadband Barometer, compiled by ACNielsen Consult, broadband use among internet enabled Australian small and medium businesses (employing fewer than 200 people) reached 90% in October 2006. Small and medium businesses are expected to increasingly adopt more advanced broadband applications that have traditionally been restricted to larger companies, such as Voice over Internet Protocol (VoIP) and videoconferencing, thereby dramatically increasing their data use levels.

Business Use of Information Technology, New South Wales and Australia (1)

	New South Wales	Australia (2)
	% of all businesses	% of all businesses
Businesses with computer use	88.9	88.5
Businesses with internet use	80.8	81.3
Businesses with a web presence	37.4	29.8
Businesses which placed orders via the internet or web	41.6	37.3
Businesses which received orders via the internet or web	20.5	20.9
Proportion of businesses with internet use and broadband connection	n/a	82.5

Footnotes:

1: The survey is based on a random sample of 9,000 employing businesses in Australia, with the exception of businesses classified as agriculture, forestry and fishing; general government; government administration and defence; education; private households employing staff; and religious organisations. All manufacturing businesses with 500 or more employees and all other businesses with 200 or more employees are included in the sample.

2: 2005-06 Data

Source: ABS Cat. No. 8129.0, 2005-06.