



Research and Development



Australia has a globally competitive research sector with a strong infrastructure base. Australia was rated third in the Asia-Pacific for the availability of specialised research and training services by the *Global Competitiveness Report 2008-09*, compiled by the World Economic Forum.

New South Wales attracted a third of Australian businesses' spending on research and development (R&D) in 2006-07. The State was the destination for 42% of national business R&D expenditure on services, including 67% of finance and insurance R&D, 44% of R&D expenditure on communication services, and over half of national expenditure on health and community services R&D and transport and storage R&D.

The New South Wales Government's *Statement on Innovation* guides Government support for industries most likely to produce the largest benefit for the State's economy. The first five industries highlighted by the Statement on Innovation are logistics and transaction services, financial services, advanced manufacturing, entertainment, design and media, and resources, especially clean coal technology.

Business research and development expenditure by industry, 2006-07 (A\$ '000)

| Industry | NSW | Australia (1) | NSW as % of Australia |
|-----------------------------------|------------------|-------------------|-----------------------------|
| Primary Industries | 528,263 | 2,642,805 | 20.0 |
| Manufacturing | 1,018,981 | 3,963,280 | 25.7 |
| Services | 2,263,895 | 5,411,232 | |
| Wholesale Trade | 327,030 | 843,260 | 38.8 |
| Retail trade | 29,655 | 116,044 | 25.6 |
| Transport & storage | 61,641 | 113,880 | 54.1 |
| Communication services | 284,813 | 649,416 | 43.9 |
| Finance & insurance | 669,162 | 997,990 | 67.1 |
| Property and Business Services | 703,147 | 2,047,981 | 34.3 |
| <i>Computer services</i> | 280,096 | 781,750 | 35.8 |
| Education | np | np | np |
| Health & community services | 22,109 | 39,968 | 55.3 |
| Total | 3,812,707 | 12,035,515 | 31.7 |

Source: ABS Cat. No. 8104.0, 2006-07.