



# Hot Off The Press

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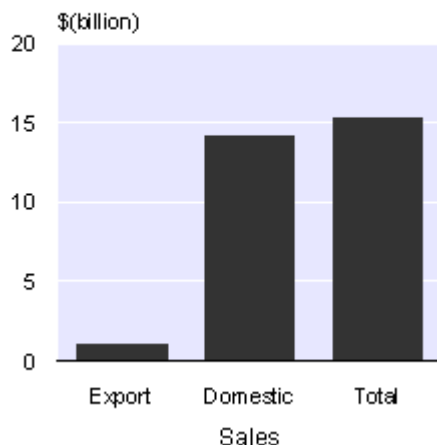
## Information and Communication Technologies Supply Survey 2004/05

### Highlights

- **Total sales of information and communication technologies (ICT) goods and services were valued at \$15,437 million** for the 2005 financial year.
- **Small businesses were 86 percent of the ICT industry**, but 16 percent of total sales.
- **Electronic devices and equipment was the leading exported ICT commodity**, with 32 percent of the total export value (\$1,113 million).
- **Thirty-five percent of respondents reported strength of competition as the greatest barrier to business growth.**

### ICT Sales of Goods and Services

2005 financial year



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There is a companion Media Release published – [Information and Communication Technologies Supply Survey: 2004/05](#).

## Commentary

### Background to the Information and Communication Technologies Supply Survey

The Information and Communication Technologies (ICT) Supply Survey: 2004/05 is the first of a new time series, based on recently developed OECD definitions to measure the ICT industry. The ICT Supply Survey replaces the previous Statistics New Zealand Information Technology (IT) Survey (1993–2004). The need for a new survey is recognition that the two technologies are converging at a fast rate and also becoming widespread.

The new survey reflects these changes and potentially makes the collection more relevant and comparable with other OECD countries. New Zealand is one of the first to adopt the new industrial and commodity classifications. As a result, at the time of this release an international comparison with OECD countries is not available. The Australian Bureau of Statistics (ABS) will be releasing results from their 2004/05 ICT industry survey on 25 September 2006.

The ICT Supply Survey: 2004/05 measures the sales of goods and services from businesses associated with ICT industries. This includes goods manufactured overseas by New Zealand-based companies that are sold to overseas markets, and excludes goods imported to New Zealand by the end user from overseas-based companies.

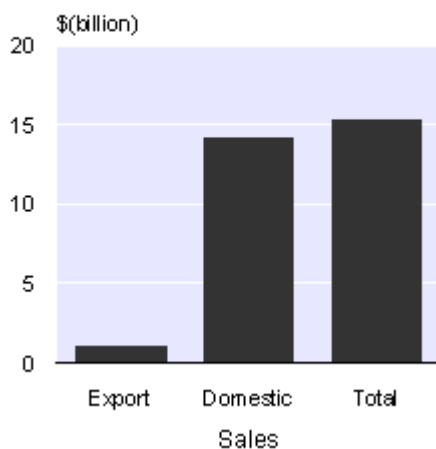
Although the previous Statistics NZ IT Survey measured some of the commodities included in the new ICT Supply Survey, they are not directly comparable (see Technical notes of this release for more detail).

### Total ICT sales

Results from the ICT Supply Survey for the 2005 financial year show that total sales of ICT goods and services were valued at \$15,437 million, with 93 percent (\$14,324 million) of this value being sold domestically, and 7 percent (\$1,113 million) to export markets.

#### ICT Sales of Goods and Services

*2005 financial year*



The value of ICT exports for the 2005 financial year compares to the approximate value of exports for the fisheries (\$1,200 million), and fruit (\$1,300 million) industries, for the same period.

## Sales of ICT commodities

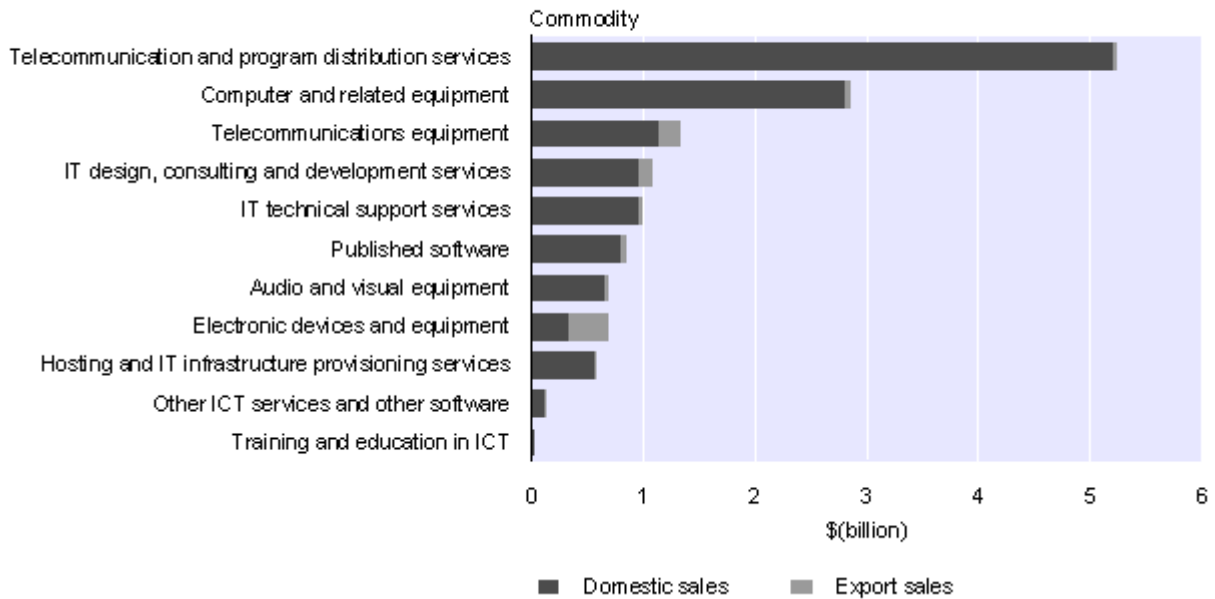
For the 2005 financial year, sales of ICT services were 55 percent (\$8,552 million) of the total (\$15,437 million) ICT sales value. Sales of ICT goods were 45 percent (\$6,885 million) of the total, and included 5 percent (\$838 million) which was published software sales.

Telecommunication and program distribution services was the most significant sales commodity, accounting for 34 percent (\$5,232 million) of the total ICT sales value.

Sales of ICT goods were 77 percent (\$862 million) of the total export value (\$1,113 million).

Electronic devices and equipment, with 32 percent of the total export value (\$1,113 million) was the commodity with the highest export value. However, this represents only 4 percent of the total sales value (\$15,437 million).

**Export and Domestic Sales of ICT by Commodity**  
2005 financial year

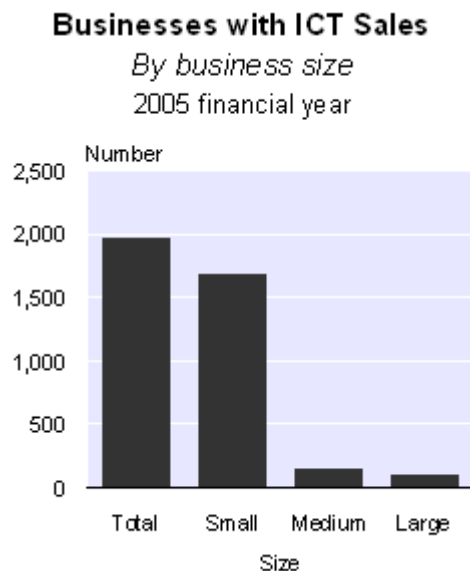


## ICT business, by industry and business size

For the purpose of the ICT Supply Survey a small business is defined as having two to less than 20 rolling mean employees (RME), a medium business as having 20 to less than 50 RME, and a large business as having 50 or more RME.

Of the 2,757 enterprises that made up the 2005 financial year ICT Supply Survey population, 1,980 (72 percent) sold ICT goods and services. The number of non-ICT enterprises surveyed (777), reflects the broad range of commodities that are included under the current ICT definition, and in some cases reflect ANZSIC codes that cover general industry descriptions where ICT businesses are only a small proportion of their ANZSIC code.

Of the 1,980 enterprises that sold ICT goods and services 1,701 (86 percent) were classified as small, 156 (8 percent) as medium-sized, and 117 (6 percent) as large. Note that this survey only considers businesses with an RME of two or more, and the number of smaller ICT business in New Zealand has been understated.



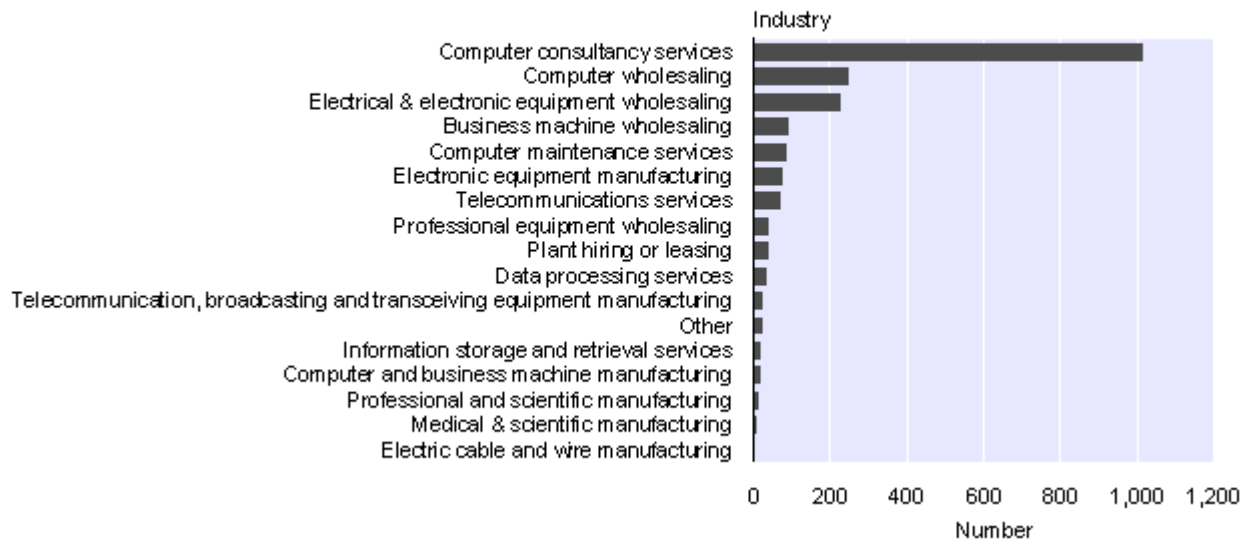
There are 1,011 businesses classified in the computer consultancy services industry with ICT sales. They make up 51 percent of the population that have ICT sales (1980). The second-biggest industry is computer wholesaling, with 243 businesses, and 12 percent of the population with ICT sales.

Of the businesses reporting ICT sales, small business tended to dominate all the ICT industries included in this survey.

## Businesses with ICT Sales

*By industry*

2005 financial year



## ICT sales, by business size

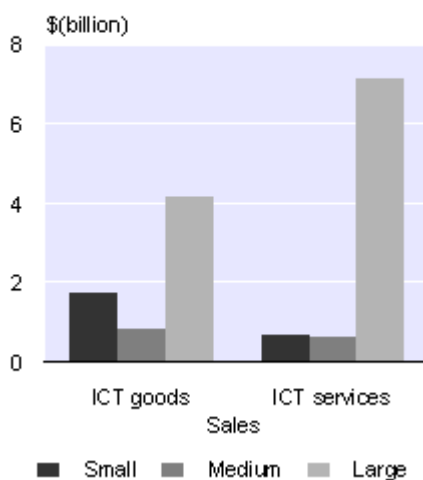
In total sales of ICT goods and services, the larger enterprises were dominant in the 2005 financial year, accounting for \$11,388 million (74 percent) of total ICT sales. The medium businesses contributed \$1,542 million (10 percent) and small businesses \$2,507 million (16 percent).

The large businesses were more dominant in the sales of services than in the sales of goods. Large, medium and small businesses contributed 84, 8 and 9 percent, respectively, to the total sales of ICT services; and 61, 13 and 26 percent, respectively, to the total sales of ICT goods.

## ICT Sales of Goods and Services

*By business size*

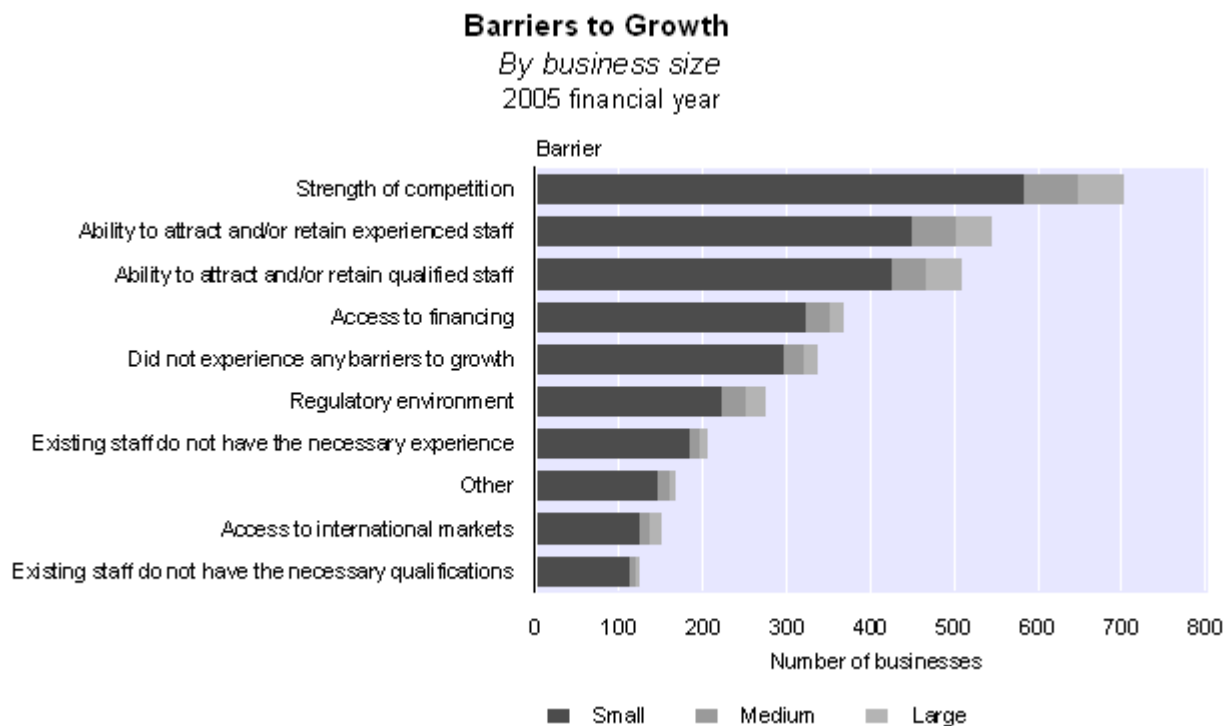
2005 financial year



## ICT industry barriers to growth

For the ICT Supply Survey: 2004/05, 35 percent of respondents reported that the strength of competition was the greatest barrier to their business growth. The ability to attract and/or retain qualified staff, and the ability to attract and/or retain experienced staff, were each barriers for just over 25 percent of respondents.

Existing staff not having the necessary qualification was a greater barrier to growth for small businesses than for medium or large businesses. In general, most of the ICT industry barriers to growth categories reflect similar proportions across the small, medium and large business range.



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## Technical notes

### Background to the Information and Communication Technologies Supply Survey

The Information and Communication Technologies Supply Survey: 2004/05 is the first of a new time series based on recently developed OECD definitions to measure the ICT industry. The need for a new survey is recognition that these two technology categories are converging at a fast rate and also becoming widespread.

Statistics in this release are drawn from the ICT Supply Survey: 2004/05. The objectives of this survey are to provide information on the total income, export income and the domestic income from sales of ICT in New Zealand.

### IT Survey 1993–2004

Although the previous Statistics New Zealand IT Survey (1993–2004) measured some of the commodities included in the new ICT Supply Survey, they are not directly comparable. The ICT Supply Survey has a much wider population base, that now includes businesses associated with the electronics and other ICT industries that were not in scope for the IT Survey. Commodity classifications are also different between the two surveys. There is a greater variety of commodities in the new ICT Supply Survey and existing commodity classifications have been redefined.

### Reference period

The reference period for the survey was the 2005 financial year. For enterprises with balance dates falling between 1 January and 30 September, this is financial data for the year ending 2005. For enterprises with balance dates falling between 1 October and 31 December, this is financial data for the year ending 2004.

### Population

The ICT Supply Survey is a census of all enterprise units with 2.0 or more rolling mean employees (RME) engaged in ICT activity in New Zealand. RME is the average size of the enterprise employment count over the past 12 months. The population for the ICT Supply Survey: 2004/05 was 2,757 enterprises.

All units with greater than 2.0 RME, and classified on the Statistics NZ Business Frame to the following ANZSIC codes, are included in the survey:

#### **C283900 Professional and scientific equipment manufacturing nec**

Units mainly engaged in manufacturing, draughting, meteorological, surveying or other professional or scientific instruments or equipment nec, or watches, clocks or other timing instruments.

#### **C284100 Computer and business machine manufacturing**

Units mainly engaged in manufacturing computers or business machines.

**C284200 Telecommunication, broadcasting and transceiving equipment manufacturing**

Units mainly engaged in manufacturing telecommunications, broadcasting or transceiving equipment.

**C284900 Electronic equipment manufacturing nec**

Units mainly engaged in manufacturing radio receiving sets (except radio transceivers or radio telegraphic receivers), television receiving sets, sound reproducing and/or recording equipment, headphones, hearing aids or electronic equipment or components nec.

**C285200 Electric cable and wire manufacturing**

Units mainly engaged in manufacturing electric or telephone cable, wire or strip, including stranded, braided or insulated non-ferrous wire, cable or strip.

**F461200 Professional equipment wholesaling**

Units mainly engaged in wholesaling scientific, medical or other professional equipment.

**F461300 Computer wholesaling**

Units mainly engaged in the wholesaling of computers or computer peripheral equipment.

**F461400 Business machine wholesaling nec**

Units mainly engaged in the wholesaling of office or business machines or equipment nec.

**F461500 Electrical and electronic equipment wholesaling nec**

Units mainly engaged in the wholesaling electrical or electronic equipment nec.

**J712000 Telecommunication services**

Units mainly engaged in providing telecommunication services to the public by wire, cable or radio.

**L783100 Data processing services**

Units mainly engaged in providing data processing services. Also included are units mainly engaged in providing time-sharing services.

**L783200 Information storage and retrieval services**

Units mainly engaged in providing information storage and retrieval services (other than library and bibliographic services).

**L783300 Computer maintenance services**

Units mainly engaged in providing computer maintenance or repair services.

**L783400 Computer consultancy services**

Units mainly engaged in providing computer consultancy services, computer systems analysis or computer programming services.

A keyword search was used on the Statistics NZ Business Frame to find ICT units from the following two ANZSIC codes. These units also had to have greater than 2.0 RME to be included in the survey:

**C283200 Medical and surgical manufacturing**

Units mainly engaged in manufacturing medical, surgical or dental equipment, including dentures.

### **L774300 Plant hiring or leasing**

Units mainly engaged in the leasing, renting or hiring of industrial machinery, plant or equipment (except transport equipment) without operators, from stock physically held for that purpose.

Other enterprises known to be significant participants in the ICT industry outside the above sources and who are not classified on the Statistics NZ Business Frame to any of the above ANZSIC codes and who have more than 2.0 RMEs, are also included.

## **Data collection**

The ICT Supply Survey: 2004/05 is a postal survey to all organisations meeting the population criteria.

## **Response rate**

A target overall response rate of 75 percent was specified in terms of the number of enterprise units from the survey population. Key businesses were also identified and targeted with a response rate of 95 percent. These key businesses were identified as having the highest total IT sales in the 2004 Information Technology Survey.

An overall response rate of 77 percent was achieved, including 96 percent of key units.

## **Imputation**

Imputation is used to obtain data in cases of unit or item non-response. A unit non-response is calculated when the business did not return a form. An item non-response is calculated when a business returns an incomplete form.

## **Non-sampling error**

Non-sampling error occurs for reasons such as respondent error, frame quality and errors in processing. While every effort is made to minimise these types of error, they may still occur. It is not possible to quantify their effect.

Statistics NZ has used standard procedures in attempting to control non-sample error. This includes pilot testing of questionnaires and survey quality control procedures.

## **Analysis of results**

The survey results have been compared with industry data, export trade data and the 2003/04 Information Technology Survey published by Statistics NZ. Where the survey results differed substantially, more detailed analysis of the data was made.

## **Confidentiality**

Data published from the ICT Supply Survey must conform to the provisions of the Statistics Act 1975, which requires that all statistical information published by Statistics NZ shall be arranged in such a manner as to prevent any particulars belonging to any respondent from being identifiable. Cell suppression has been used to prevent the disclosure of sensitive information.

## Concepts and terms

### **ANZSIC**

The Australian and New Zealand Standard Industrial Classification (ANZSIC).

### **Business Frame**

A register of all economically significant businesses operating in New Zealand, maintained by Statistics NZ from which the survey population is drawn.

### **Enterprise**

A single business entity operating in New Zealand either as a legally constituted body, such as a company, trust, local or central government trading organisation, incorporated society, or self-employed individual.

### **Rolling mean employment (RME)**

The average size of the enterprise employment count over the past 12 months. This number is sourced from the Statistics NZ Business Frame which is updated on a monthly basis by employers.

### **Business size**

- Small business between 2 and less than 20 RME
- Medium business RME between 20 and less than 50
- Large business to have 50 or more RME.

### **OECD definition of ICT goods and services**

ICT goods and services fulfil or enable the function of information processing and communication by electronic means. Alternatively, ICT goods may also use electronic processing to detect, measure and/or record physical phenomena or control a physical process.

### **ICT commodity definition**

The following is a list of ICT commodity categories used in the ICT Supply Survey questionnaire, and examples relating to each category. ICT goods commodities are defined by the internationally recognised Harmonized System (HS).

#### **Telecommunications equipment**

- telephones, facsimile machines, answering machines
- telephone and data switching and transmission equipment
- radio frequency (RF) and fixed-line equipment
- radio and television transmitting equipment
- television cameras and radar apparatus
- burglar alarms, fire alarms or similar  
telecommunications aerials, cables, connectors and conductors.

**Computer and related equipment**

- computers and other data processing machines
- computer printers, scanners, other peripheral units
- magnetic or optical storage units (eg CD- or DVD-drives)
- servers, routers, switches, structural cabling systems
- barcode scanners, EFTPOS machines
- computer parts and accessories (including printer cartridges; not including covers, carrying cases or similar).

**Audio and visual equipment**

- radio and television sets
- monitors, video recorders, video or digital cameras, projectors
- CD players, DVD players/recorders, MP3 players
- microphones, earphones, loudspeakers, amplifiers
- magnetic tapes or disks and other unrecorded media.

**Electronic components**

- electrical transformers, conductors, power supplies or parts thereof
- capacitors, resistors, inductors, printed circuits
- semiconductor devices including diodes, transistors, and integrated circuits
- television picture tubes, microwave tubes, other tubes or parts
- electronic subassemblies and parts thereof
- magnetic stripe cards, recorded or unrecorded.

**Electronic devices and equipment**

- navigation apparatus and devices
- scientific instruments and appliances
- industrial measurement and process control equipment
- electro-diagnostic medical equipment (eg ECG, MRI, ultrasound, CT, X-ray etc)
- electronic gas, liquid and electricity meters
- marine and aeronautical instruments and devices
- electronic calculating and accounting devices and office machinery.

**Published software**

- off-the-shelf (packaged) software developed for wide distribution and produced for multiple sale or licensing
- limited end-user licences as part of packaged software
- licensing services for the right to use computer software
- PC and gaming console games.

**Telecommunication and program distribution services**

- carrier services
- fixed or mobile services
- private network and data transmission services
- telecommunication repair and maintenance services
- audio/video broadcasting on a subscription or pay-to-view basis.

**Internet access and Internet telecommunication services**

- connections to, and carriage of, traffic on the Internet
- carrier services of Internet traffic by one ISP for another ISP
- telecommunication services on the Internet.

**IT technical support services**

- IT hardware repair and maintenance, routine testing of hardware
- providing technical expertise to solve IT-related problems
- maintenance and troubleshooting of software or hardware
- provision of software patches and upgrades
- management and monitoring of a client's IT infrastructure (ie hardware, software, networks)
- day-to-day management and operation of a client's computer system
- transforming information from one format or media to another
- data or disaster recovery services.

**IT design, consulting and development services**

- design and development of IT solutions
- creating and/or implementing software applications, custom programming, customisation and integration of packaged software
- developing and implementing client-specific networks
- developing client-specific computer systems.

**Hosting and IT infrastructure provisioning services**

- website or email hosting with or without integration of applications (online storefronts, order processing, data warehousing)
- supporting, hosting and managing business processes for a client (financial transaction/credit card processing, payroll processing, personnel administration, logistics services, help desks, call centre)
- provision of leased software applications from a centralised, hosted and managed computing environment
- data storage and management services, co-location services
- video and audio streaming services, computer time share.

**Renting or leasing services**

- computers, printers, peripheral units
- telephones, fax machines, pagers, cellphones
- radio and television equipment
- scientific, measuring or control apparatus.

**Training and education in ICT**

- post-school technical and vocational education
- in-house training services
- other education and training services.

## **Sales**

Sales in New Zealand dollars for each ICT category.

## **Exports**

Excludes goods sold to other New Zealand businesses who will export the goods at a later stage.

## **Sales to New Zealand end-users**

Sales to those purchasers who buy goods for their own use, rather than for selling.

## **Sales to other New Zealand customers**

Sales not classed as exports or sales to New Zealand end-users. This category includes sales to businesses that sell the ICT goods or services.

## **Goods and services pricing**

The data reported in the ICT Supply Survey: 2004/05 is collected and reported in nominal dollar values at time of sale. These nominal sales figures combine price and volume movements. Price movements of these goods and services may disguise the volume or quantity change in goods and services sold.

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## **Timing**

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## **Next release**

*Information and Communication Technologies Supply Survey: 2005/06 will be released on 17 April 2007.*

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## Tables

The following tables can be downloaded from the Statistics New Zealand website in Excel 97 format. If you do not have access to Excel 97 or higher, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

### List of tables

1. Information and communication technologies sales of goods and services
2. Sales of information and communication technologies goods and services, by commodity
3. Population breakdown, by industry and business size
4. Sales of information and communication technologies goods and services, by business size
5. Barriers to business growth, by business size

Table 1

**Information and Communication Technologies Sales of Goods and Services**  
*2005 financial year*

	\$(million)	Percent
Export sales	1,113	7.2
Domestic sales	14,324	92.8
<b>Total</b>	<b>15,437</b>	<b>100.0</b>

**Information and Communication Technologies Supply Survey: 2004/05**

Table 2

**Sales of Information and Communication Technologies Goods and Services**  
*By commodity and sales type*  
 2005 financial year

Commodity	Total sales	Domestic sales	Export sales
	\$(million)		
<b>ICT goods (excluding software)</b>			
Telecommunications equipment	1,323	1,129	194
Computer and related equipment	2,845	2,782	62
Audio and visual equipment	676	640	37
Electronic components	384	.. C	.. C
Electronic devices and equipment	676	319	357
Other ICT goods	142	.. C	.. C
<b>Published software</b>			
Published software	838	777	61
<b>Total sales of ICT goods</b>	<b>6,885</b>	<b>6,023</b>	<b>862</b>
<b>Communication services</b>			
Telecommunication and program distribution services	5,232	5,192	40
Internet access and Internet telecommunication services	452	.. C	.. C
<b>Information technology services</b>			
IT technical support services	989	942	47
IT design, consulting and development services	1,069	939	130
Hosting and IT infrastructure provisioning services	574	555	19
<b>Other ICT services</b>			
Renting or leasing services	98	.. C	.. C
Training and education in ICT	20	19	1
Other ICT services and other software	118	108	10
<b>Total sales of ICT services</b>	<b>8,552</b>	<b>8,301</b>	<b>252</b>
<b>Total sales of ICT goods and services</b>	<b>15,437</b>	<b>14,324</b>	<b>1,113</b>
<b>Percentage</b>			
<b>ICT goods (excluding software)</b>			
Telecommunications equipment	8.6	7.9	17.4
Computer and related equipment	18.4	19.4	5.6
Audio and visual equipment	4.4	4.5	3.3
Electronic components	2.5	.. C	.. C
Electronic devices and equipment	4.4	2.2	32.0
Other ICT goods	0.9	.. C	.. C
<b>Published software</b>			
Published software	5.4	5.4	5.5
<b>Total sales of ICT goods</b>	<b>44.6</b>	<b>42.0</b>	<b>77.4</b>
<b>Communication services</b>			
Telecommunication and program distribution services	33.9	36.2	3.6
Internet access and Internet telecommunication services	2.9	.. C	.. C
<b>Information technology services</b>			
IT technical support services	6.4	6.6	4.2
IT design, consulting and development services	6.9	6.6	11.7
Hosting and IT infrastructure provisioning services	3.7	3.9	1.7
<b>Other ICT services</b>			
Renting or leasing services	0.6	.. C	.. C
Training and education in ICT	0.1	0.1	0.1
Other ICT services and other software	0.8	0.8	0.9
<b>Total sales of ICT services</b>	<b>55.4</b>	<b>58.0</b>	<b>22.6</b>
<b>Total sales of ICT goods and services</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Note: Figures may not sum to totals due to rounding.

**Symbols:**

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**Information and Communication Technologies Supply Survey: 2004/05**

Table 3

**Population Breakdown**  
*By industry and business size <sup>(1)</sup>*  
 2005 financial year

Industry	ANZSIC code	Total number of surveyed businesses	Businesses with reported ICT sales			
			Total	Small	Medium	Large
Business machine wholesaling	F461400	93	87	66	18	9
Computer and business machine manufacturing	C284100	15	15	12	-	-
Computer consultancy services <sup>(2)</sup>	L783400	1,080	1,011	909	57	42
Computer maintenance services <sup>(2)</sup>	L783300	93	81	78	3	3
Computer wholesaling <sup>(2)</sup>	F461300	252	243	210	24	6
Data processing services <sup>(2)</sup>	L783100	45	33	24	6	3
Electric cable and wire manufacturing	C285200	3	-	-	-	-
Electrical & electronic equipment wholesaling	F461500	390	225	186	21	18
Electronic equipment manufacturing	C284900	93	72	54	9	6
Information storage and retrieval services <sup>(2)</sup>	L783200	21	15	12	-	3
Medical & scientific manufacturing	C283200	87	3	.. S	-	.. S
Plant hiring or leasing	L774300	303	36	33	3	-
Professional and scientific manufacturing	C283900	24	9	6	3	3
Professional equipment wholesaling	F461200	129	36	30	3	3
Telecommunication, broadcasting and transceiving equipment manufacturing	C284200	21	21	18	-	3
Telecommunications services <sup>(2)</sup>	J712000	84	69	48	12	9
Other <sup>(3)</sup>		21	18	9	-	9
<b>Total</b>		<b>2,757</b>	<b>1,980</b>	<b>1,701</b>	<b>156</b>	<b>117</b>
<b>Percentage</b>						
Business machine wholesaling	F461400	...	...	75.9	20.7	10.3
Computer and business machine manufacturing	C284100	...	...	80.0	-	-
Computer consultancy services <sup>(2)</sup>	L783400	...	...	89.9	5.6	4.2
Computer maintenance services <sup>(2)</sup>	L783300	...	...	96.3	3.7	3.7
Computer wholesaling <sup>(2)</sup>	F461300	...	...	86.4	9.9	2.5
Data processing services <sup>(2)</sup>	L783100	...	...	72.7	18.2	9.1
Electric cable and wire manufacturing	C285200	...	...	-	-	-
Electrical & electronic equipment wholesaling	F461500	...	...	82.7	9.3	8.0
Electronic equipment manufacturing	C284900	...	...	75.0	12.5	8.3
Information storage and retrieval services <sup>(2)</sup>	L783200	...	...	80.0	-	20.0
Medical & scientific manufacturing	C283200	...	...	.. S	-	.. S
Plant hiring or leasing	L774300	...	...	91.7	8.3	-
Professional and scientific manufacturing	C283900	...	...	66.7	33.3	33.3
Professional equipment wholesaling	F461200	...	...	83.3	8.3	8.3
Telecommunication, broadcasting and transceiving equipment manufacturing	C284200	...	...	85.7	-	14.3
Telecommunications services <sup>(2)</sup>	J712000	...	...	69.6	17.4	13.0
Other <sup>(3)</sup>		...	...	50.0	-	50.0
<b>Total</b>		...	...	<b>85.9</b>	<b>7.9</b>	<b>5.9</b>

(1) A small business is defined as having an RME equal to 2 and less than 20, medium as having an RME equal to 20 and less than 50 and large as having an RME of more than 50.

(2) Core ANZSIC industries included in the Information Technology (IT) Survey 2004

(3) The Other industry group includes businesses classified to the E4232, E4234, F4731, G5210, G5234, G5243, G5321, I6641, K7340, L7823, L7855, O8710 ANZSIC industries.

**Note:** All cells have been randomly rounded to base 3 to protect confidentiality, so actual figures may differ from those stated.

**Symbols:**

S suppressed for quality reasons

.. figures not available

- nil or zero

... not applicable

**Information and Communication Technologies Supply Survey: 2004/05**

Table 4

**Sales of Information and Communication Technologies Goods and Services**

*By business size<sup>(1)</sup>*

2005 financial year

Commodity	Business size		
	Small	Medium	Large
	\$(million)		
<b>ICT goods (excluding software)</b>			
Telecommunications equipment	259	272	793
Computer and related equipment	879	357	1,608
Audio and visual equipment	96	75	506
Electronic components	109	14	261
Electronic devices and equipment	139	60	478
Other ICT goods	34	28	81
<b>Published software</b>			
Published software	262	78	498
<b>Total sales of ICT goods</b>	<b>1,778</b>	<b>883</b>	<b>4,224</b>
<b>Communication services</b>			
Telecommunication and Internet services <sup>(2)</sup>	115	258	5,311
<b>Information technology services</b>			
IT technical support services	229	142	619
IT design, consulting and development services	256	170	643
Hosting and IT infrastructure provisioning services	48	50	476
<b>Other ICT services</b>			
Renting or leasing services	32	15	51
Training and education in ICT	10	4	6
Other ICT services and other software	39	22	57
<b>Total sales of ICT services</b>	<b>729</b>	<b>659</b>	<b>7,164</b>
<b>Total sales of ICT goods and services</b>	<b>2,507</b>	<b>1,542</b>	<b>11,388</b>
<b>Percentage</b>			
<b>ICT goods (excluding software)</b>			
Telecommunications equipment	19.6	20.5	59.9
Computer and related equipment	30.9	12.6	56.5
Audio and visual equipment	14.2	11.1	74.7
Electronic components	28.4	3.6	67.9
Electronic devices and equipment	20.5	8.8	70.7
Other ICT goods	24.0	19.4	56.6
<b>Published software</b>			
Published software	31.2	9.3	59.5
<b>Total sales of ICT goods</b>	<b>25.8</b>	<b>12.8</b>	<b>61.4</b>
<b>Communication services</b>			
Telecommunication and Internet services <sup>(2)</sup>	2.0	4.5	93.4
<b>Information technology services</b>			
IT technical support services	23.1	14.3	62.6
IT design, consulting and development services	24.0	15.9	60.2
Hosting and IT infrastructure provisioning services	8.4	8.7	82.9
<b>Other ICT services</b>			
Renting or leasing services	33.0	15.1	51.9
Training and education in ICT	49.1	19.1	31.7
Other ICT services and other software	33.1	18.2	48.6
<b>Total sales of ICT services</b>	<b>8.5</b>	<b>7.7</b>	<b>83.8</b>
<b>Total sales of ICT goods and services</b>	<b>16.2</b>	<b>10.0</b>	<b>73.8</b>

(1) A small business is defined as having an RME equal to 2 and less than 20, medium as having an RME equal to 20 and less than 50 and large as having an RME of more than 50.

(2) The commodities telecommunication and program distribution services; and Internet access and Internet telecommunication services were combined to protect confidentiality.

**Note:** Figures may not sum to totals due to rounding.

Table 5

**Barriers to Business Growth**

*By business size<sup>(1)</sup>*

2005 financial year

Barrier	Number of businesses <sup>(2)</sup>			
	Total	Small	Medium	Large
Access to financing	366	321	30	15
Strength of competition	699	582	63	57
Regulatory environment	270	222	27	24
Ability to attract and/or retain qualified staff	504	423	42	42
Ability to attract and/or retain experienced staff	540	447	54	42
Existing staff do not have the necessary qualifications	123	111	6	6
Existing staff do not have the necessary experience	204	183	12	9
Access to international markets	153	123	12	15
Did not experience any barriers to growth	336	294	24	18
Other	162	144	15	6

Percentage				
Access to financing	...	87.7	8.2	4.1
Strength of competition	...	83.3	9.0	8.2
Regulatory environment	...	82.2	10.0	8.9
Ability to attract and/or retain qualified staff	...	83.9	8.3	8.3
Ability to attract and/or retain experienced staff	...	82.8	10.0	7.8
Existing staff do not have the necessary qualifications	...	90.2	4.9	4.9
Existing staff do not have the necessary experience	...	89.7	5.9	4.4
Access to international markets	...	80.4	7.8	9.8
Did not experience any barriers to growth	...	87.5	7.1	5.4
Other	...	88.9	9.3	3.7

(1) A small business is defined as having an RME equal to 2 and less than 20, medium as having an RME equal to 20 and less than 50 and large as having an RME of more than 50.

(2) Businesses that responded to the barriers to growth question. Note that businesses can have multiple answers to this question.

**Note:** All cells have been randomly rounded to base 3 to protect confidentiality, so actual figures may differ from those stated. Figures may not sum to totals due to rounding.

**Symbol:**

... not applicable