



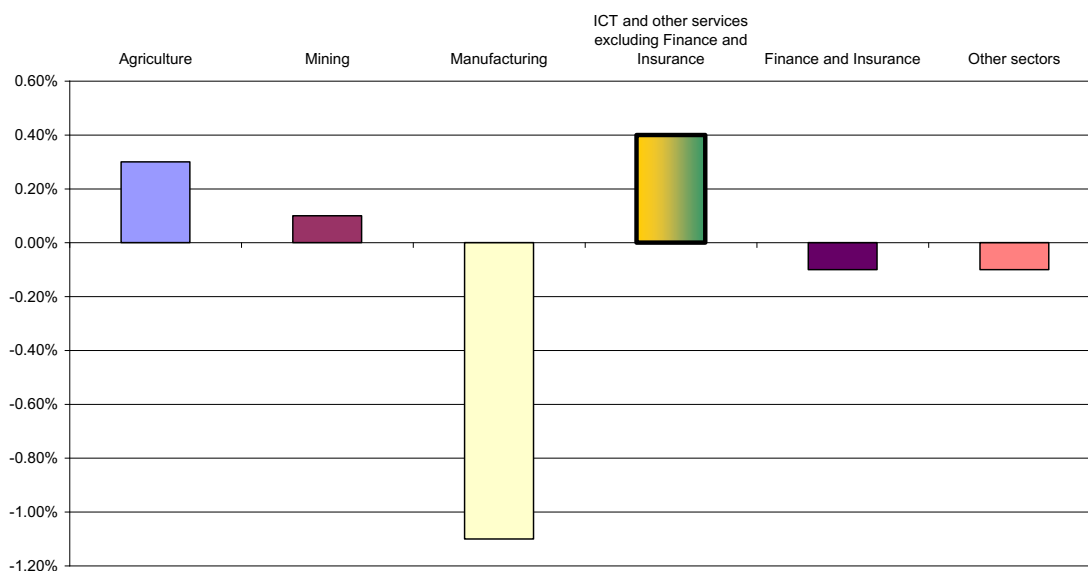
Rebuilding the Australian Economy - The lesson from the GFC about ICT economic contribution

Following the GFC, the conventional wisdom of the time, ably presented by the Mining industry lobby, and accepted by a majority of economists and journalists, was that the Mining sector “rescued” the Australia economy from the global financial crisis.

The Australian Statistical Compendium in 2011, however, included CIER analysis that showed that, despite this mythology, (with the exception of the finance and insurance sector), it was actually the services sectors, grouped by ABS within the within Professional, Scientific, and Technical services Industry Division, that did the heavy lifting of GDP growth.

ICT services, provided by computer software and consulting companies, represent a very large employment and revenue proportion of the non-finance and insurance services in this Division.

Sectoral contributions to GDP growth Sep 2008-May 2008
Source ABS 5206.0 and Treasury



CIER

A 2008 Australian Treasury paper, *The Australian economy and the global downturn- Part 2: The key quarters*, and data from the Australian Bureau of Statistics *ABS ICT Satellite Account 2003, published 2006*, were the primary data sources for the CIER analysis.

The reason ICT contribution is often overlooked by conventional economic analysis is that the ICT services sector is not included in the Information, Media, and Telecommunications Division ANZSIC classification, which only includes telecommunications and ISP's from the ICT industry (alongside media, and libraries), but is often wrongly supposed to be synonymous with ICT.

The standard ABS industry classifications have not changed since this analysis.

It is quite likely, therefore, that, in the recovery from the Coronavirus pandemic, the major potential contribution of ICT services, will, sadly, again be overlooked or underappreciated.

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May 2020