

Centre for Innovative Industry Economic Research Inc.

A.B.N. 64 806 162 996

Busting ICT Myths

Myth	Truth
ICT was invented in the USA, Australia is a relative latecomer.	The world first digital computer was the “Manchester machine” built in the UK, the second was the first IBM (USA) and the third, by less than a month, was CSIR Mark 1, (Australia) built in Sydney in 1948, brought to Melbourne in 1956, and now on display at Museum Victoria
ICT jobs went downhill in the Dot.com bust	Australian ICT jobs went down very little at that time, and recovered within 6 months to resume their strong growth to over 530,000 total ICT jobs in early 2009. We have a current skills shortage of over 11,000 jobs.
ICT jobs are going downhill now,, due to the economic downturn	ICT industry jobs GREW between February and May this year, despite the continued reduction in telecommunications jobs, and all indications are that, whilst growth may flatten, and some sectors, such as finance, have cut back, it is unlikely that total ICT jobs will decline
The National broadband Network is going to drive huge growth in Telecommunications jobs	Most Broadband jobs, other than those related to construction, are actually computer software and services jobs, traditional “copper wire” telecommunications jobs have declined steadily over the last ten years
ICT is not a major part of the Australian economy	ICT accounts for 4.9% of economic contribution (GVA), more than many other Australian industry sectors, including Mining; Electricity, Gas and Water supply; Banking and Finance; and TV, Radio, Media
IT salaries are not as good as they used to be	IT salaries have maintained strong growth in many sectors
Games software offers huge career opportunities	Games software companies employ less than 600 developers in the whole of Australia – whilst there are some jobs in this sector, the major software jobs of the future are in the broad spectrum of the digital economy – see www.dbcde.gov.au/digital_economy/final_report

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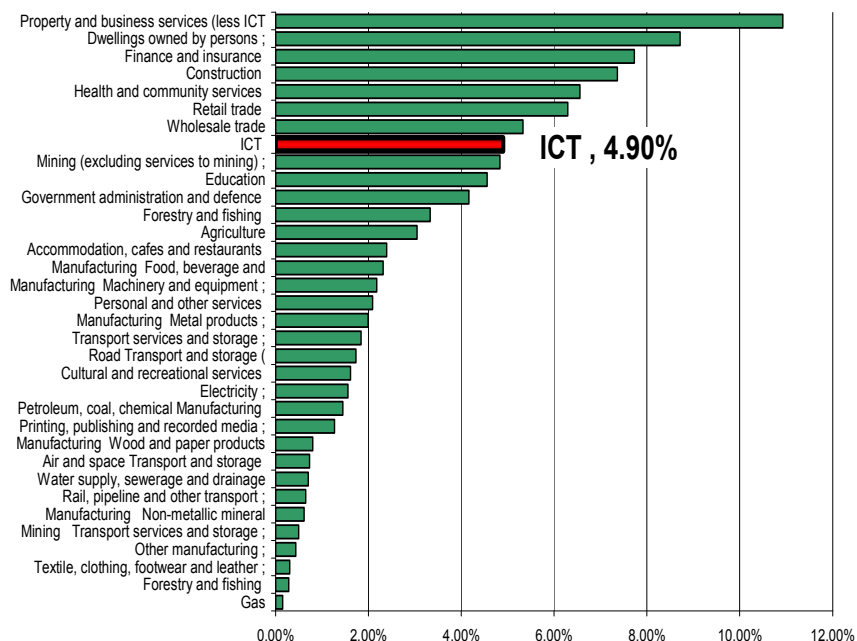
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Measurement	Statistic
Total ICT workers in Australia	532,500
Total ICT Technical, Professional, Management, Trade staff in Australia	517,103
Total ICT Technical, Professional, and Management staff in Australia	397,800
Total ICT Domestic annual enrollments in Australia	7839
Total temporary ICT migrants to Australia	13,379 per annum
Estimated ICT Skills shortage	11,225
Employees in ICT Industry	268,000
Revenue of ICT Industry	\$85-\$98Billion
ICT R&D	\$3,165 Million
ICT exports(excluding re-exports)	\$5,025Million

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Industry sector contributions to the Australian Economy 2006 (Gross Value Add),

Source : ABS 52060, ABS 5259.0, CIIER)



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Ian Dennis is Chairman of the Centre for Innovative Industry Economic Research Inc and of Whitehorse Strategic Group Limited, a consulting company specialising in IT and innovative industry policy and strategy.

Ian is a member of the ICT Sector Advisory Committee of Innovation and Business Skills Australia (IBSA); listed on the UN Roster of Experts in Technical Consultancy Services; is a United Nations approved International Trade consultant (UNCTAD/GATT) International Trade Centre; and a Registered Expert in Information Technology, Research Directorate DGXII, European Commission. He is "Gateway" accredited by the Victorian and Australian Governments to conduct evaluations and reviews of major Government projects.

He was awarded an Australian Design Award for software in 1987 and was made a Life Member of the Software and Services Industry Federation in 1989 for his services to industry. He has served on the Boards of IT industry trade bodies (AIIA, ASHA, SSIFA), for longer than any other Australian, and is the only person to have been elected Chairman of two of these industry associations. He is currently a National Director of the Australian Computer Society, and is immediate past Chairman of ACS Victoria.

In 1998 he was elected a Fellow of the Australian Computer Society, for "significant contribution to the Australian information technology industry"

In 1990 he was elected a Foundation Fellow of the Australian Institute of Company Directors. In 1993 he was awarded the Institute of Chartered Accountants in Australia - Microsoft Excel Award.

In 1994 Ian helped to develop the Victorian Government IT Outsourcing guidelines, and in 1995 project managed the Victorian Government Department of Justice IT outsource review. From 1995 to 1997 he developed and implemented the Victorian Government Ballarat IT2010 Industry development strategy. From 1995, he assisted in the Australian participation in the EU ESPRIT Fourth Framework, and project management and support to the highly successful TRANS2000-A project between Australia and Europe.

During 1996 he also provided project probity input as specialist advisor to the Department of Prime Minister & Cabinet, and in 1997 was an expert witness to the Senate Select Committee hearings on Government Outsourcing.

In 1997 Ian was elected a Fellow of the Australian Institute of Management.

In 1998 he founded, and is now emeritus chairman of, the Pearcey Foundation.

He was a Founder of the ASOCIO Asia-Pacific Regional IT trade association, a prime mover in gaining Australian membership of the World Information Technology Services Association, and represented the Australian IT industry around the world for over twenty-five years.

Since 2000 Ian has lead Whitehorse and CIER teams conducting studies on Public Sector ICT Research and Development (R&D) and an eLearning Industry Survey and Report for Multimedia Victoria; the qualification and quantification of ICT outsourcing, examined the economic and operational implications of outsourcing and, in particular, offshoring, for the Australian Computer Society; a study of the Tasmanian ICT industry for the Tasmanian Government; an IT industry strategic analysis for the NSW Office of Information Technology; an evaluation of inwards investment decision processes for the Victorian Department of Infrastructure; a high-level statistical profile of the Victorian ICT Industry for the Department of Treasury's industry wide reviews. In 2004 he was honoured by his appointment as a Companion of the Pearcey Foundation. In 2005 he project managed the "ICT Skills Snapshot" evaluation and analysis of ICT employment trends for MMV, in 2006 the Federal Government (DCITA) released a major review of the Australian Software Industry he project managed and lead authored. During 2007-8 he led a number of CIER project teams including the ongoing ICT Skills Forecasting project, in-depth surveys of ICT in NT and Tasmania, and various studies for the Australian Computer Society.

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