

# **INNOVATION NOVELTY IN AUSTRALIAN BUSINESSES – A MICRO DATA ECONOMETRIC ANALYSIS**

Donald Bruncker and Umme Salma  
Department of Industry, Tourism & Resources  
Canberra, Australia

## **ABSTRACT**

**This paper reports the results of an econometric analysis of key business characteristics associated with different degrees of novelty of innovation in Australian businesses, using the 2003 Australian Innovation Survey micro-data. The role of business size; industry sector; collaboration (including collaboration diversity and intensity); foreign ownership; and technology level in determining the probability of an innovating business achieving a given level of novelty of innovation is investigated. An ordered categorical probit model approach is employed to investigate the role of these characteristics and to estimate the impact probabilities resulting from a change in one or more of them.**

**Replication of the Heckman 2-stage methodology employed by Therrien and Chang (2003) to investigate the role of collaboration in innovation novelty in Canadian manufacturing businesses is then applied to the Australian data for manufacturers, and comparisons between the two countries are made.**