Australian Government

Department of Communications

GOVLAB

Private sector use of open government data

Results from the Open Data 500 Australia

August 2015

Economic value of open data

Open data is data that is publicly available at no cost to end-users. Open data can be used to launch commercial and non-profit ventures, do research, make data-driven decisions, and solve complex problems.

Data produced and held by the Government is a valuable service of government to the general public, business and non-profit sector. However, until recently, there has been limited scope to realise the full value of this data.

There are three drivers influencing the economic value of open data: new business created through apps and websites; more efficient interaction between Government and the private sector; and more efficient business practices within Government itself.

A 2013 report by PricewaterhouseCoopers estimated that data-driven innovation added $67 billion in new value to the Australian economy, or 4.4 percent of GDP. However, the report also indicates there is substantial room to improve, with an estimated $48 billion left on the table in potential value from data-driven innovation in 2013.[1]

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1   www.pwc.com.au/consulting/assets/publications/
     Data-drive-innovation-Sep14.pdf
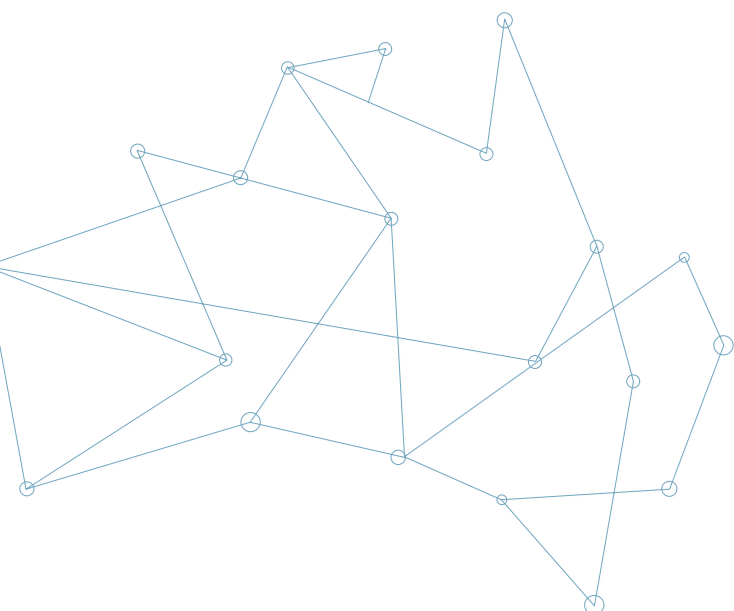
The Open Data Initiative

In the *Coalition's Policy for E-Government and the Digital Economy*, the Government committed to consulting a range of private sector and community organisations to identify value-adding public datasets not currently on data.gov.au. The Government further committed to working with agencies to expedite access to these datasets.

At the time the election commitment was released only 514 datasets were available on data.gov.au. There are now over 7,000 datasets discoverable through the Government's data portal (as at 29 July 2015). The Government has also worked to improve data delivery, with 2,200 datasets available on the NationalMap.

The focus is on the publication of high value datasets, with an emphasis on quality rather than quantity. High value datasets are those which are valuable to business; help the public make informed decisions or improve user experiences; or assist government in making or communicating evidence-based policy decisions.

I would like to see the Government working more closely with industry to help coordinate open data opportunities that will improve those industries with regard to transparency, participation with stakeholders and collaboration within the value chain.

– Link Digital

Overview of the Open Data 500 Australia

The Open Data 500 Australia is the first comprehensive study of Australian companies and non-government organisations that use open government data to generate new business, develop new products and services or create social value.

'Having national, consistent datasets would allow governments, business and the community to use the data more readily and to better understand the risks.'

— IAG Ltd

The objectives of the study are to:

provide a basis for assessing the economic value of government open data

encourage the development of new open data companies

foster a dialogue between government and business on how government data can be made more useful
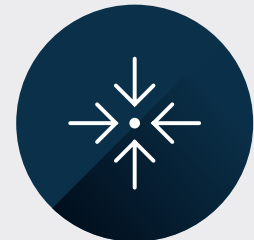
Eligilibity

To qualify for the Open Data 500 Australia, an organisation must:

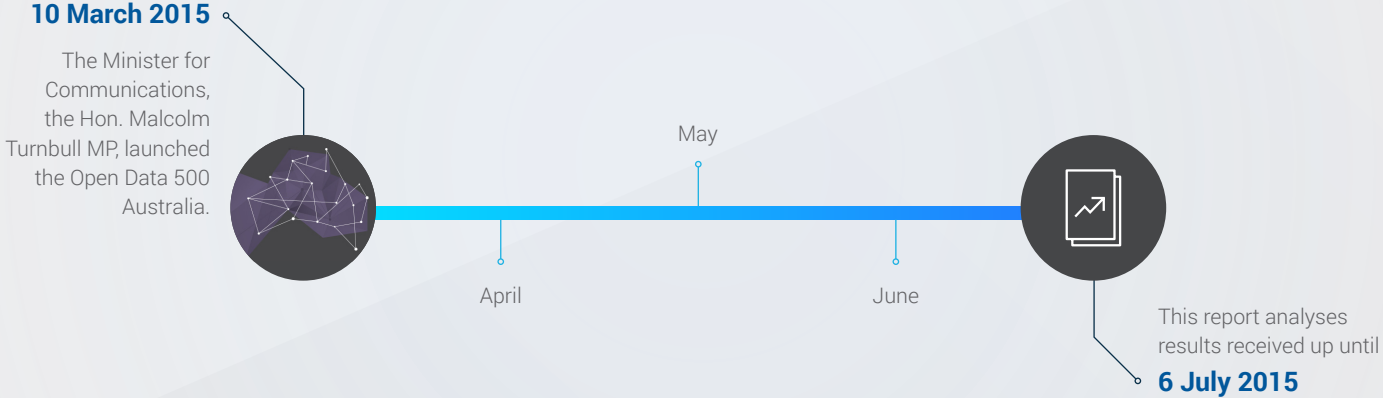HAVE AN OPERATING PRESENCE IN AUSTRALIA

EARN REVENUE FROM ITS PRODUCTS AND SERVICES

(non-profits may qualify if they have a sustainable revenue stream)

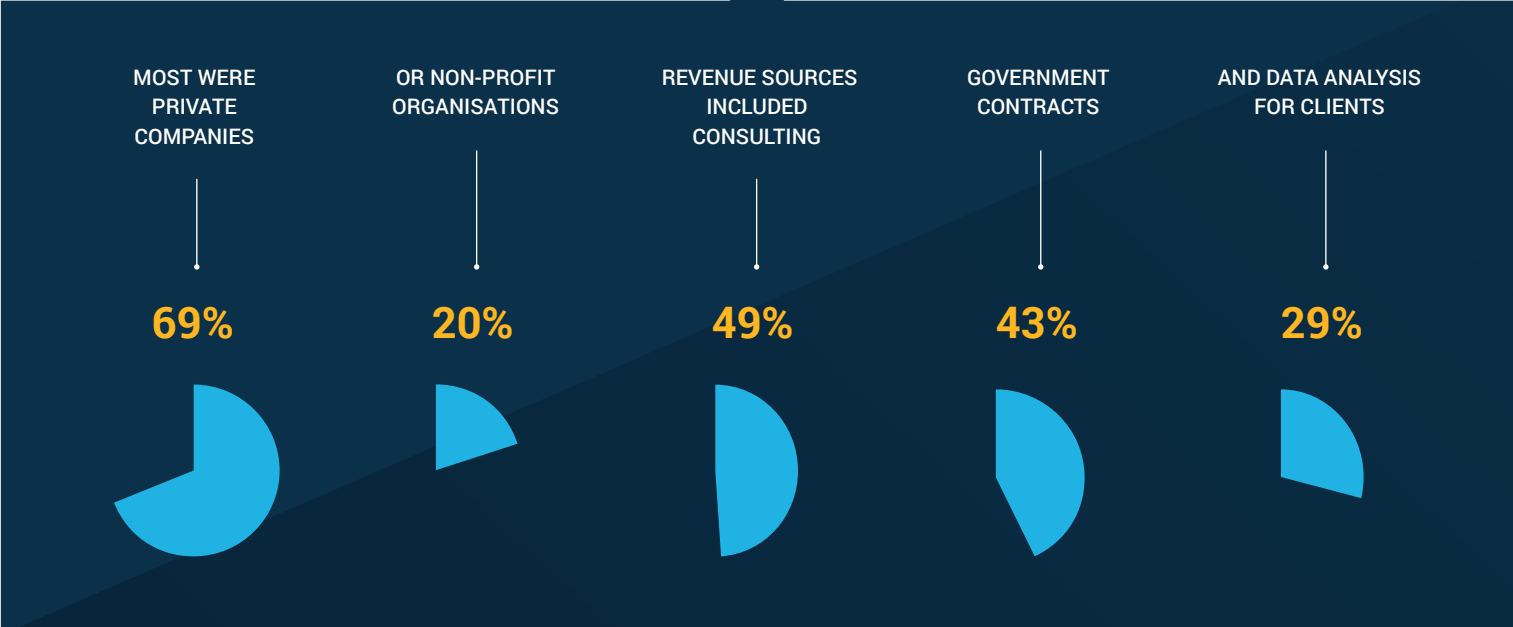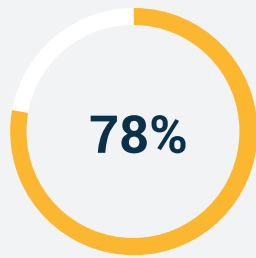USE OPEN GOVERNMENT DATA AS A BUSINESS OR OPERATION RESOURCE

Timeframes

10 March 2015

The Minister for Communications, the Hon. Malcolm Turnbull MP, launched the Open Data 500 Australia.

April

May

June

This report analyses results received up until **6 July 2015**

Results

Quantitative analysis

There were **65 use cases** provided by eligible organisations to the **Open Data 500 Australia** as at 6 July 2015.

THE MAJORITY OF PARTICIPANTS IN THE OPEN DATA 500 WERE:

DATA/TECHNOLOGY COMPANIES	RESEARCH/CONSULTING COMPANIES	GEOSPATIAL/MAPPING ORGANISATIONS
25%	**15%**	**12%**

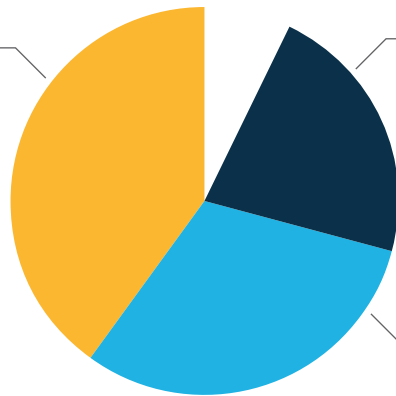| MOST WERE PRIVATE COMPANIES	OR NON-PROFIT ORGANISATIONS	REVENUE SOURCES INCLUDED CONSULTING	GOVERNMENT CONTRACTS	AND DATA ANALYSIS FOR CLIENTS
69%	**20%**	**49%**	**43%**	**29%**

78%

78% of participants were small businesses with less than 50 full time employees.

50%

This is in line with the US study, where 50% of respondents had ten or fewer employees.

However, unlike the US study, where two thirds of respondents were founded in the last five years,

74% of participants in the Australian study were founded prior to 2010.

40% of participants said they use between 11 and 50 data sources

22% use more than 100 data sources

31% use less than ten data sources

Government datasets are used

for clients, research, government and private sector projects;

to assist with analysis and design;

to help forecast sales; and

to contribute to asset lifecycles.

The most commonly used data was **geospatial/mapping data**,

with 60%
of participants saying they use it within their organisation.

Other types of data commonly used
by the private sector included **environmental data (49%)**

demographics and social data (45%)

and **positioning/GPS data (42%)**

Most Australian organisations
are using open data to:

(65%)

(55%)

(51%)

create new or
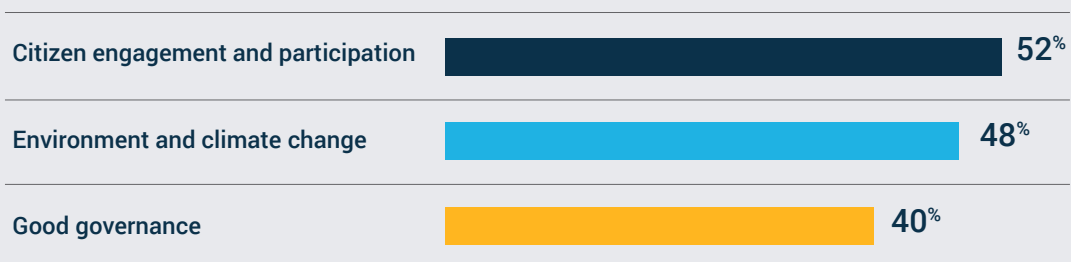improved products
and services

to generate
cost
efficiencies

and to
identify new
opportunities

The biggest challenges in using open data were
related to access, accuracy and level of detail
of the data.

Participants were asked if their organisation's mission had a direct,
beneficial social impact. The top social impacts cited were:

Citizen engagement and participation	52%
Environment and climate change	48%
Good governance	40%

Social outcomes listed by participants included
building trust with the community, empowering
people to make more informed decisions, and
enabling people to self-serve and find information
they need.

'**Data that helps us measure our
social impact (the social return on
investment) would also be valuable for
our organisation as well as many others
trying the benchmark and measure.**'

– Parklands Albury Wodonga Ltd

Results from the
Open Data 500 Australia
Next steps

Participate

» Survey to remain open—The Open Data 500 Australia will remain open (www.opendata500.com/au/submitCompany/) in order to continue to build the catalogue of open data use cases.

Full use cases

» Results released as a dataset—The responses received (up until 6 July 2015) are available as an open dataset on data.gov.au and the location of participating organisations can be visualised on the NationalMap.

Next steps

» **More datasets released**—Identifying and publishing high value datasets in a manner that is as streamlined as possible and focussed on the user.

» **More accessible data**—Ensuring licensing arrangements are appropriate and do not restrict innovation.

» **More industry consultation**—Engaging Australian organisations on a broader scale to understand how open government data can become more accessible and useable, including engaging those organisations that are not currently using open government data.

Join in the conversation

Web: opendata500.com/au

Email: opendata@communications.gov.au

Twitter: #OD500AU

> **'Our experience to date is that most systems are cumbersome and could be streamlined to allow smaller organisations such as ours to retrieve the information we are looking for in a much more efficient manner.'**
>
> – GreenBizCheck