

YEAR 2000 PROBLEM

AUSTRALIA
PRELIMINARY

EMBARGO: 11:30AM (CANBERRA TIME) TUES 8 DEC 1998

MAIN FEATURES

Over 90% of businesses are aware of the Year 2000 problem and almost 60% of businesses are intending to undertake work to address the Year 2000 problem. Almost all large businesses (200 or more employees) are both aware and undertaking Year 2000 work.

In all States and Territories, there is a high level of awareness of the Year 2000 problem. However the proportion intending to undertake Year 2000 work is more variable ranging from 45% in Tasmania to 68% in the Australian Capital Territory.

Businesses that are unaware of the Year 2000 problem or not intending to undertake work to address the Year 2000 problem typically have less than five employees. It is estimated that the number of employees in these businesses is one million people.

Over half of the businesses not intending to undertake work on the Year 2000 problem will not take any action because they either do not have any technology that will be affected or do not believe their business will be affected.

Almost one-fifth of the businesses intending to undertake work have yet to start investigations into the likely impact. However over half of the businesses which intend to undertake Year 2000 work expect to have completed their work by mid-1999.

Only 20% of all businesses have sought some form of assurances from suppliers, service providers or customers about their state of Year 2000 readiness. Even fewer (13%) have contingency plans if disruptions were to occur due to the Year 2000 problem.

NOTES

ABOUT THIS PUBLICATION

This publication presents preliminary results from a new survey of Australian businesses regarding their progress in addressing the Year 2000 problem. The survey was restricted to private businesses which employ staff. The results represent the status of the business during the last week in October 1998. The estimates are based on the initial 70% of responses and are subject to sampling and other errors. This is a lower response rate than for most ABS surveys. Estimates have been compiled on a regular basis and have stabilised since a 50% response rate was achieved indicating that any non-response bias is likely to be small. Estimates of standard errors are available from the ABS contact.

FINAL RESULTS

Final results will be available in early 1999 and will be published in *Year 2000 Problem, Australia* (Cat. no. 8152.0).

W. McLennan
Australian Statistician

- For further information about these and related statistics, contact John Ovington on Canberra 02 6252 5189, or any ABS office shown on the back cover of this publication.

	<i>Aware of the Year 2000 problem</i>	<i>Intending to undertake Year 2000 work</i>	<i>Expected Year 2000 completion date</i>		
			<i>By January 1999</i>	<i>By July 1999</i>	<i>By December 1999</i>
	%	%	%	%	%
INDUSTRY(a)					
Agriculture	91	43	6	20	40
Mining	94	72	19	49	71
Manufacturing	93	62	11	32	60
Electricity, gas and water supply	98	86	10	65	84
Construction	91	50	7	30	48
Wholesale trade	98	75	24	52	73
Retail trade	89	51	11	31	48
Accommodation, cafes and restaurants	92	50	11	31	48
Transport and storage	95	48	12	34	48
Communication services	93	62	18	40	62
Finance and insurance	98	73	24	51	73
Property and business services	93	63	12	36	62
Education	95	60	13	36	57
Health and community services	96	70	15	43	69
Cultural and recreational services	93	54	12	31	53
Personal and other services	90	59	8	34	57
STATE AND TERRITORY					
New South Wales	92	55	12	35	53
Victoria	93	51	12	30	50
Queensland	94	64	11	35	60
South Australia	91	63	10	33	59
Western Australia	95	66	10	41	64
Tasmania	85	45	10	33	45
Northern Territory	84	62	27	42	62
Australian Capital Territory	90	68	8	32	65
BUSINESS SIZE(b)					
0-4 employees	91	52	11	31	51
5-19 employees	96	73	17	48	71
20-199 employees	99	91	16	62	90
200 or more employees	100	98	8	71	97
ALL BUSINESSES					
Total(b)	92	57	12	34	55

(a) See *Australian and New Zealand Standard Industrial Classification (ANZSIC)*, 1993 (Cat. no. 1292.0).

(b) Agricultural businesses are excluded from the business size components but are included in the State and Territory components and Australian totals.

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PROGRESS ON YEAR 2000 WORK

Business size (employees)(a)	Stage reached						Total businesses undertaking Year 2000 work
	Yet to start investigations into the likely effects	Investigating likely effects	Developed a strategy or outsourced work	Commenced work	Testing	Completed all work and testing	
	%	%	%	%	%	%	%
0-4	12	18	5	7	3	7	52
5-19	9	25	7	20	3	10	73
20-199	6	23	10	37	9	8	91
200 or more	0	10	9	54	22	3	98
All businesses(a)	11	19	5	11	3	7	57

(a) Agricultural businesses are excluded from the business size components but are included in the totals.

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REASONS WHY BUSINESSES ARE NOT UNDERTAKING YEAR 2000 WORK

Business size (employees)(a)	Unaware of the Year 2000 problem	Unsure what action to take	Waiting to see if a problem occurs	Waiting for IT supplier to solve problems	Lack of funds or resources	Do not believe business will be affected	Have no technology that will be affected	All technology is Year 2000 ready	Total businesses not undertaking Year 2000 work
	%	%	%	%	%	%	%	%	%
0-4	9	3	6	1	1	12	15	2	48
5-19	4	2	3	1	1	8	7	1	27
20-199	1	1	1	0	0	2	2	1	9
200 or more	0	0	0	0	0	0	0	1	2
All businesses(a)	8	3	5	1	1	11	13	2	43

(a) Agricultural businesses are excluded from the business size components but are included in the totals.

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YEAR 2000 ASSURANCE AND CONTINGENCY PLANS

Business size (employees)(a)	Have sought assurance from any suppliers, service providers or customers			Developed contingency plans
	Verbal	Written	Total	
	%	%	%	%
0-4	13	6	18	11
5-19	16	15	27	18
20-199	24	38	52	30
200 or more	22	75	82	56
All businesses(a)	13	9	20	13

(a) Agricultural businesses are excluded from the business size components but are included in the totals.

SELF-HELP ACCESS TO STATISTICS

<i>PHONE</i>	Call 1900 986 400 for the latest statistics on CPI, Labour Force, Earnings, National Accounts, Balance of Payments and other topics. (Call cost is 75c per minute)
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