

MEDIA RELEASE



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STARTING UP VICTORIA'S ECONOMY

A new report from Deloitte Access Economics has found that Victorian startups will continue to create thousands of high-skilled jobs and have the potential to play an important role in Victoria's economic future in the wake of coronavirus (COVID-19).

Commissioned by LaunchVic, Victoria's startup agency, '*Productivity is not an accident – The economics and impact of Victoria's startup ecosystem*' found that Victoria's early-stage startup sector revenue was \$4.6 billion in 2019, representing almost 19,000 jobs.

Modelling the economic impact of increased startup density, Deloitte Access Economics found the Victorian startup ecosystem had the potential to add on average an additional 15,000 jobs each year to the broader Victorian economy over the next 20 years.

Deloitte Access Economics found that while startups challenge existing business models, they ultimately create more high skilled jobs through their growth and business lifecycle. But the job creation does not stop at the startup's doorstep.

The impact of startups on job creation is a net increase over time as job creation spills over to existing businesses due to innovation and increased competitiveness.

It is this innovative economic mix that provides Victoria with the foundation for strong and resilient economic growth into the future.

LaunchVic CEO, Dr Kate Cornick said the report shows that with the right care and attention to grow the ecosystem, startups could become a very important part of Victoria's future economy.

"The risk is that we become a purchaser of global technologies developed overseas rather than a creator and lose the high-skilled jobs that come with this."

Deloitte Access Economics Head, Dr Pradeep Philip said startups and startup ecosystems, from an economic policy and commercial perspective, are the bridge between the current economic growth path, and the creation of a new growth trajectory which will drive growth, income, and jobs into the future.

Deloitte's report can be downloaded at launchvic.org.

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About LaunchVic

LaunchVic is Victoria's startup agency. We invest in organisations and projects that empower entrepreneurs to scale innovative companies and deliver new industry benefits to the Victorian economy. To find out more, visit www.launchvic.org