

# PROFESSIONAL SERVICES

Sector Strategy

Victoria's  
Future  
Industries.



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Authorised by the Victorian Government  
Department of Economic Development,  
Jobs, Transport & Resources  
1 Spring Street Melbourne Victoria 3000  
Telephone (03) 9208 3333

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Extensive consultation has underpinned development of this sector strategy. Over 150 businesses, industry, unions, and research organisations contributed their views and ideas.

- 130 people participated in 15 stakeholder forums, 2 of which were held in regional and rural areas
- 70 organisations participated in direct discussions with the Department
- 30 written submissions were received from a variety of businesses and organisations.

This sector strategy responds to the major themes arising from consultation with these organisations.

In addition, we would like to acknowledge the contribution of members of the Future Industries Ministerial Advisory Council, who provided valuable advice and generously shared their knowledge and experience with Departmental staff charged with developing sector strategies:

- Mr David Bartlett, Chair, former Premier of Tasmania
- Mr Nixon Apple, Alternate Director, Australian Super
- Mr Jeff Connolly, Chairman and Chief Executive Officer of Siemens Group, Australia-Pacific Region
- Ms Gabrielle Coyne, former Chief Executive Officer, Penguin Random House Australia
- Professor Linda Kristjanson, Vice-Chancellor, Swinburne University of Technology
- Dr Leonie Walsh, Victorian Government Lead Scientist.



# CONTENTS

Premier's foreword	4
Minister's foreword	5
A world-class offering	7
Harnessing our strengths	8
A diverse range of businesses	8
A key sector in the Victorian economy	8
Challenges and opportunities	9
Changing the dialogue	9
Targeted support	9
Achievements to date	11
Professional Services sector strategy	12
Positioning Victoria's professional services sector for growth	13
Developing international markets and attracting investment to Victoria	14
Promoting innovation and connectivity	16
Creating a more competitive and supportive business environment	18
Supporting Victoria's professional services sector into the future	22
Victorian Government Programs	23
Contacts	23

# PREMIER'S FOREWORD

4



We talk so much about our economic 'transition', but this transition won't occur on its own. We have to take action ourselves. We need a real plan. And we need to invest.

That's what our \$200 million Future Industries Fund is all about.

The priorities of today will define our economic future, and we believe the Victorian Government needs to set those priorities.

With those priorities in mind, we can work with businesses to grow our traditional industries and invest in the sectors that will shape the next century.

Our Government has identified the priority sectors with potential for remarkable growth – the sectors in which Victoria is uniquely poised to lead the world:

- Medical technology and pharmaceuticals
- New energy technologies
- Transport, defence and construction technologies
- Food and fibre
- International education
- Professional services.

Collectively, these sectors have the potential to drive up to \$70 billion in additional economic output by the year 2025, and create over 400,000 new jobs for Victorians.

The \$200 million Future Industries Fund is turbocharging these priority sectors through job-creating grants to specialist firms and companies.

The \$500 million Regional Jobs and Infrastructure Fund and the \$508 million Premier's Jobs and Investment Fund also lay the foundation for growth across our entire economy.

We have a few advantages under our belt: high-quality infrastructure, skilled workers, world-class liveability, well-connected cities, productive land and resources, all in close proximity to Asia.

The fastest growing sector in Victoria's economy, the professional services sector, encompassing finance, business and engineering design services, is worth \$63 billion – or 18 per cent – of the state's Gross State Product and employs a highly skilled and modern workforce. Our state's future is clearly linked to the strength of the professional services sector – and as we move towards a more specialised, knowledge-driven economy it will become even more vital.

Our priorities for assisting this sector, outlined in this strategy, are the next step. It's all about securing the high-growth industries of the future, and the jobs that come with them.

A handwritten signature in white ink, appearing to read 'Daniel Andrews'. The signature is fluid and cursive, with a long horizontal stroke at the end.

**The Hon. Daniel Andrews MP**  
Premier of Victoria

# MINISTER'S FOREWORD

Professional services play a vital role in the Victorian economy accounting for 18 per cent of our Gross State Product, the largest contribution of any sector, employing over 380,000 Victorians, or around 12 per cent of Victoria's employed persons.

Victoria has a world class reputation in engineering, design and financial services. Victoria has nearly one-third of Australia's engineering workforce, two of Australia's largest banks, and most of Australia's industry superannuation funds. Additionally, Australia's largest health insurers are headquartered in Melbourne.

However, the contribution of the professional services sector to economic growth and output is even more important than these measures suggest. The professional services sector is at the core of the Victorian economy, providing a range of specialised services that other industries rely on so they can function efficiently and remain competitive.



A stylized, handwritten signature in white ink, appearing to read 'Lily D'Ambrosio'.

**The Hon. Lily D'Ambrosio MP**  
Minister for Industry

Professional services are becoming increasingly important to Victoria's future prosperity as the economy relies increasingly on specialised, knowledge driven services for growth. Continued growth and development of the professional services sector will create more highly skilled, high-value and creative jobs for Victorians, positioning the state as a major solutions provider to the world.

Based on consultation with businesses, universities and professional organisations around Melbourne and regional Victoria, this document sets out our strategic priorities to help position the professional services sector for continued prosperity and jobs growth. This strategy paper will provide the framework to enable the sector to innovate, grow, and capitalise on its capabilities.

We look forward to working with industry to implement this strategy.





# A WORLD-CLASS OFFERING

It is our vision that Victoria be recognised as a leader in professional services in Australia and the Asian region, with a vibrant network of new and established firms creating significant additional value across the economy and fuelling strong jobs growth.

Victoria has competitive advantages in its highly skilled workforce, first class regulatory framework, strong research base, existing infrastructure, and quality of life. Melbourne is the head office of two of the big four banks, most of the largest health insurers, half of the top 12 industry superannuation funds, one third of Australia's engineering workforce and is the home of the Future Fund, Australia's Sovereign Wealth Fund. It is also home to a number of important national institutions such as the Australian Centre for Financial Studies, Intellectual Property Research Institute of Australia and the CSIRO-Monash University Superannuation Research Centre.

Future growth will be driven by international and domestic demand in areas of the industry where Victoria has recognised competitive advantages. While this strategic plan will benefit the whole professional services sector, it has a particular focus on engineering and design (urban design, engineering, environmental technology, and mining services) and financial services (financial technology, banking, business advice, superannuation, wealth management, insurance, and infrastructure finance).

The aim of this strategy is to help the professional services sector secure 200,000 new jobs by 2030. This strategy articulates four key principles to position the professional services industry in Victoria to grow, and outlines the first steps towards achieving this vision.

Our focus	Our goals
<b>Positioning Victoria's professional services sector for growth</b>	<ol style="list-style-type: none"><li>1. Promote the success of Victoria's professional services sector</li><li>2. Expand Victoria's professional services events calendar</li><li>3. Showcase Victoria's capabilities through a series of innovation and design competitions</li></ol>
<b>Developing international markets and attracting investment to Victoria</b>	<ol style="list-style-type: none"><li>4. Develop export programs and support expansion into overseas markets</li><li>5. Capitalise on Australia's international trade agreements</li><li>6. Attract strategic international investment</li></ol>
<b>Promoting innovation and connectivity</b>	<ol style="list-style-type: none"><li>7. Establish engineering and design innovation networks, and a digital financial technology (fintech) services innovation hub</li><li>8. Build scale in the emerging fintech services sector</li><li>9. Accelerate support for start-ups and high growth potential professional services small and medium enterprises (SMEs)</li></ol>
<b>Creating a more competitive and supportive business environment</b>	<ol style="list-style-type: none"><li>10. Advance workforce skills for the future with industry associations and education and training providers</li><li>11. Advocate regulatory reform for the professional services sector</li><li>12. Invest in Victoria's digital future</li><li>13. Leverage government procurement to drive innovation and growth</li></ol>



# HARNESSING OUR STRENGTHS

## A diverse range of businesses

A wide range of businesses fall within the definition of professional services including:

- Business advisory services such as legal, accounting, management consulting, marketing, communications and advertising
- Technical and design services such as engineering and systems design, architecture, industrial design and surveying
- Scientific research services including biomedical, agricultural and economic
- Information technology services such as computer system design and analysis, software development and technology integration
- Financial services including banking, financial planning, wealth management, superannuation and funds and asset management
- Insurance services such as life, health, transport and other insurance.

## A key sector in the Victorian economy

Professional services is the largest and fastest growing sector in the Victorian economy, contributing \$63 billion of the state's total economic output, or just over 18 per cent of GSP in 2013-14. It is a highly innovative sector and in 2013-14 invested over \$1.6 billion in research and development activities. This represented 36 per cent of Victoria's total business expenditure on research and development, second only to the manufacturing sector.

Exports of professional services from Victoria were estimated at \$2.8 billion in 2013-14. This is expected to increase significantly as the benefits of several recent bilateral Free Trade Agreements are realised, including the China-Australia Free Trade Agreement which presents major opportunities for growth.

Businesses in the professional services sector currently employ more than 380,000 Victorians, and recent labour market estimates by Deloitte Access Economics indicate that the sector could create an additional 200,000 jobs over the next 15 years.

The sector is a vital provider of knowledge-based services to all other sectors, enabling them to produce, sell and deliver an array of final products. Professional services firms provide high-level advice and guidance, knowledge, and specialised technical and strategic support to clients, leading to increases in productivity and innovation throughout the economy. They also allow other businesses to reduce costs and improve operating efficiencies by outsourcing portions of work to outside suppliers.



## Challenges and opportunities

While the outlook for this sector appears positive, significant opportunities and challenges exist as the sector responds to rapid change and the emergence of new business models and new players. As more international businesses establish a presence in Victoria, and technology enables borderless service delivery, professional services firms are operating in an increasingly competitive environment.

Recent growth opportunities in the sector have been driven by increased internet speeds, the widespread uptake of smart phones and devices and increased use of new technology-based services including cloud-based accounting and data storage services, data analytics, artificial intelligence and robotics. The adoption of these services to drive new business models is also creating many challenges for firms across the sector.

The composition of the professional services workforce is also changing, as process related work and non-customer facing roles are replaced through automation and outsourcing. While there has been consistent growth in the employment of highly-skilled workers in the professional services sector, opportunities for less skilled workers have declined, along with opportunities for new graduates in some professions.

The professional services workforce of the future will require a different skill mix from today. Employees with broad experience and skill sets will be best placed to secure jobs in the future. Firms are looking for digital, entrepreneurial and interpersonal skills, in addition to professional qualifications and practical work experience.

Firms will need to be flexible, highly innovative, and quick to adopt and integrate new service delivery technology. A strong and interconnected professional services sector will be critical as connectivity enables businesses to innovate, share knowledge, collaborate on new ideas, and establish new markets.

## Changing the dialogue

The current profile of Victoria's professional services sector is relatively low key, despite the fact that it employs 12 per cent of Victoria's workforce and is a leading professional services state in Australia. Promoting our capabilities in professional services, and showcasing the success of firms providing innovative, best practice solutions for local and global clients, will better position local firms to capture a greater share of business in coming years.

## Targeted support

Supporting high growth start-ups is a particular focus of this strategic plan. SMEs are constantly seeking to punch above their weight. Providing timely, targeted support through mentoring programs, business advisory services, access to finance, and help to develop networks can be an effective way of improving their success rate.

The Government will also work with large firms to generate opportunities to introduce new technology and expertise, raise the profile of Victoria's professional services sector, attract international investment, and drive export activity.

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"There are significant advantages to being known as a centre of excellence in professional services and increased knowledge and investment flows as a result."

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APEC Study Centre – RMIT



## FINANCE REPORT

- ACCOUNT REPORT
- DASHBOARD
- INCOME
- OUT GOING

### DASHBOARD - INCOME



#### TOTAL INCOME



LINE ITEMS	11.23 MC
SUPPORTING	3.15 MC
TOTAL	14.38 MC



LINE ITEMS	11.82 MC
SUPPORTING	9.2 MC
TOTAL	21.02 MC

LINE ITEMS	10.03 MC
SUPPORTING	10.03 MC
TOTAL	20.06 MC

# ACHIEVEMENTS TO DATE

The Andrews Labor Government is delivering on its election commitments with a clear focus on growing jobs and sharing opportunities across our society.

We have established three new Funds totalling over \$1.2 billion to support job creation and economic development, with a particular focus on our priority sectors including professional services:

- \$200 million Future Industries Fund
- \$508 million Premier's Jobs and Investment Fund
- \$500 million Regional Jobs and Infrastructure Fund.

We opened the \$5 million Future Industries Manufacturing Program in 2015 and the \$20 million Future Industries Sector Growth Program has just opened. The \$20 million Food Source Victoria Program, funded from the Regional Jobs and Infrastructure Fund also opened in 2015. These programs are focused on helping businesses to partner with each other, and with educational institutions and the community, to invest in job-creating projects. We have also established LaunchVic, a \$60 million initiative to foster the creation of start-up enterprises.


To support our economy as it continues to transition, we recently released *Towards Future Industries: Victoria's Automotive Transition Plan*. This \$46.5 million plan will help businesses, workers and communities affected by the closure of automotive manufacturing operations to meet the challenges ahead and capture emerging opportunities. This includes \$33 million for the Local Industry Fund for Transition (LIFT), and a further \$5 million to establish the Automotive Supply Chain Transition Program.

We have also put in place changes to help local businesses get their fair share of work from government projects. For government procurement projects with a total value of \$50 million or more, we now set local content level targets that must be met – meaning more work for local businesses and more local jobs.

The Major Project Skills Guarantee, which commenced on 1 January 2016, requires that apprentices make up 10 per cent of the workforce on major state projects. We are continuing to look for other opportunities to strengthen our local content policies and use government procurement to support professional services firms operating in Victoria.

The Victorian Invitation Program is the most expansive inbound trade mission program in the state's history. More than 590 qualified international buyers from 27 countries visited Victoria in 2015 as part of the program. We have also supported over 420 businesses, across a number of sectors, to visit 35 cities in 19 countries as part of our outbound trade mission program.

We are proud of these achievements but know there is much more to do, working in partnership with industry, educational institutions, unions, and the broader community.



**PROFESSIONAL SERVICES**  
Sector Strategy



# Positioning Victoria's professional services sector for growth

We will work with the professional services sector to ensure it is better placed to seize domestic and international growth opportunities through increased promotion of the sector in key markets.

With annual exports of \$2.8 billion, the professional services sector is one of Victoria's many economic success stories, but up until now it has been a relatively quiet achiever. Recent innovations in information and communications technology have enabled the 'international tradability' of many professional and business services previously confined to a domestic market, thus boosting export levels.

Further expansion and growth in professional services exports will be best served by government working with industry leaders and higher education institutions to profile Victoria's capabilities and expertise as a world-class solutions provider in domestic and international markets.

We can build on our reputation for delivering outstanding international events by extending the calendar of key professional services conferences and events in Victoria.

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"The Victorian Government can play an active role and stimulate greater collaboration between government, universities, industry and research bodies through staff exchanges and research collaboration."

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Swinburne Institute of Technology

## What we plan to do

### 1. Promote the success of Victoria's professional services sector

There is opportunity to better promote Victoria's professional services sector as a highly skilled, innovative, technology-driven and customer outcomes focused sector. Case studies showcasing successful Victorian professional services businesses and initiatives will be used to promote Victoria's comparative advantages and key capabilities across multiple media, including in local and overseas markets using the network of Victorian Government Business Offices.

### 2. Expand Victoria's professional services events calendar

In partnership with industry and academia, we will work to attract major new conferences and other targeted industry events to Victoria, as well as build participation in existing high profile events. Major international conferences provide opportunities for Victoria to showcase its specialisations and capabilities to the world, as well as enabling local industry to build strategic global relationships.

### 3. Showcase Victoria's capabilities through a series of innovation and design competitions

We will identify opportunities to promote and sponsor innovation and design competitions that bring together Victoria's brightest and most creative thinkers to address real world problems for government and industry. Activities such as design competitions, 'hackathons,' and other events will provide an opportunity to showcase the professional services sector and foster innovation within it.





# Developing international markets and attracting investment to Victoria

Through our network of international offices, the Victorian Government will work to attract international investments that:

- Create growth opportunities for the professional services sector, such as attracting the regional headquarters of multinational companies to Victoria
- Add new technology or skills capability to the Victorian economy, such as research and development centres of excellence
- Create jobs in the professional services sector, such as high-end shared services centres
- Help develop scale in growth sectors, such as venture capital providers.

The Victorian Government recognises the important enabling role that business advisory and banking services (law firms, accounting firms, strategy consultants and financiers) play in attracting investment to the state, and will partner with them to deliver this initiative.

Asia's growing share of global economic activity offers substantial opportunities for Victorian firms to further expand their exports in coming years. However, despite recent trade agreements, non-tariff barriers to trade in professional services remain significant in many regional and global markets. These can include operating licence or registration restrictions, limitations on data movement and caps on branch office numbers.

It can be difficult for firms to understand the implications of international free trade agreements and how they impact on market access, especially where more than one agreement applies to a specific market. There are opportunities to provide better online information and training courses to enable our professional and business services firms to understand the specific benefits and opportunities associated with trade agreements.

The Victorian Government will seek to work with professional services exporters to build and leverage strategic relationships in target markets, connecting Victorian businesses into international supply chains, and supporting firms to establish a physical presence in key export markets.

## What we plan to do

### 4. **Develop export programs and support expansion into overseas markets**

The Government will continue working with businesses to understand their needs and ensure that professional services exporters are fully included in its range of export programs and activities. The focus will be on assisting firms to fast track the development of trusted relationships, link in to global supply chains, and establish a physical presence in target markets.

Relationships are vitally important to professional services exporters and can assist firms with their market entry strategies. We will work to develop export mentoring services to link together experienced Victorian exporters with companies that have the potential for rapid export growth.

Effort will be directed to build new strategic relationships and deepen existing relationships in the Asia Pacific region with governments, research institutions, universities, industry associations, and businesses. This could be achieved through sister-city and sister-state relationships; formal memoranda of understandings; executive education programs; private sector partnerships and research collaborations and stronger connections with organisations like AsiaLink, international chambers of commerce, and the alumni of Victoria's international education system.

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### 5. **Capitalise on Australia's international trade agreements**

The Victorian Government will partner with Austrade and our network of domestic and international trade advisors to provide high quality, practical online information about the opportunities for professional services firms arising from free trade agreements and other international trade initiatives, including the Asia Region Funds Passport and the Trans Pacific Partnership.

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### 6. **Attract strategic international investment to Victoria**

Through the Government's investment promotion agency, Invest Victoria, we will partner with Victorian business advisory firms to attract strategic investments to the state – investments that will assist to drive sector growth, build capability and scale, and create jobs.

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“Enabling trade missions into expanding markets would provide a greater understanding about how we are best placed to participate in those markets.”

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# Promoting innovation and connectivity

Innovation is vital for creating new opportunities, adding value to products – or differentiating them – and to maintaining a competitive edge.

The Victorian Government will provide targeted support to innovative start-ups and fast growing SMEs in the sector, with the potential to create significant numbers of new jobs. We will encourage firms to invest in innovation related activities to drive competitiveness and growth.

Information, training and other support services will help improve pathways to growth, and support firms with relevant information, advisory and mentoring services.

The Government will work with professional services firms to build their capacity through activities such as establishing technology hubs, developing stronger networks, and enabling better access to Victoria's research community.

One of the challenges SMEs within the professional services sector face is difficulty accessing finance to grow their operations. There is an opportunity to partner with the financial services sector to provide information to businesses about finance options, including peer-to-peer lending and other online sources of finance.

Networks are a powerful way for businesses to connect with others within their industry and across industries, and can lead to the discovery of new opportunities, suppliers, customers and staff. We will work with various industry partners to strengthen the focus on networking activities, providing greater opportunities for multi-sectoral collaboration, as well as links to researchers and academics.

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“The Victorian Government should focus on the small-to-medium businesses that have large potential for growth.”

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As the professional services sector continues to evolve, there is a need to monitor emerging trends and ensure that Victoria's business environment continues to adapt to meet the changing needs of the industry.

Fintech, for example, is an emerging, rapidly growing sub-sector within the domestic and international professional services industry. Victoria's emerging fintech firms are creating new, cheaper services that have the potential to transform the banking, superannuation, wealth management, and insurance sectors.

These emerging financial services businesses are operating in areas such as mobile banking and payment systems, financial cybersecurity, data analytics, consumer lending and SME financing. We will work with this sub-sector to seek to grow its scale and density to maximise future local investments, and job opportunities.

Another emerging area in professional services is environmental consulting. Victorian businesses have a high level of expertise in advisory and technology services related to a broad range of environmental issues. These existing capabilities can be built upon to make Victoria a world leader in this field.

## What we plan to do

### 7. Establish engineering and design innovation networks, and a digital fintech innovation hub

By partnering with industry, universities and the research sector to create these new innovation networks and hubs, we can maximise the potential for growth and investment in these key areas of professional services where Victoria has competitive strengths. These networks and hubs can become the focus for promotion, networking and interconnectivity, helping to create scale and critical mass, identify emerging growth issues, and allow the Government to prioritise and deliver practical, solution-focused initiatives where necessary.

The Victorian Government's new \$60 million LaunchVic initiative will also provide support and assistance to foster the creation of start-up enterprises and enhance Victoria's entrepreneurial culture.

### 8. Build scale in the emerging fintech services sector

The \$60 million LaunchVic initiative will support growth in Victoria's fintech and other emerging sectors. We will also map the capabilities of the sector, which will assist in raising its profile and establishing networking partnerships between key interest groups.

### 9. Accelerate support for start-ups and high growth potential professional services SMEs

We will build upon the services currently delivered to support SMEs through Small Business Victoria with a focus on improving information, particularly about access to finance. Online information and training will explain the options available to access capital to support business growth. Other targeted support will assist start-ups and SMEs to access export markets, link to mentoring and business advisory services, build management capability and skills, develop networks, and integrate new technology and systems.

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"Networking remains a critical element for growing professional services businesses."

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Grant Thornton



# Creating a more competitive and supportive business environment

Government plays an important role in helping create a competitive and supportive business environment by investing in our education and training system to create a highly skilled workforce, investing in major infrastructure producing significant productivity spillovers for business, and ensuring an efficient and competitive regulatory and taxation environment.

Workforce skills are important for driving growth and the competitiveness of professional services businesses. The Victorian Government will work with businesses and the education and training sector to ensure courses are highly relevant and that students gain practical experience to better position them to transition into the workforce.

Melbourne has been consecutively rated as the most liveable city in the world and is well placed to attract international talent in niche areas where there may be identified skill gaps. Where necessary, our existing workforce skills can be enhanced by recruiting talented graduates from Victoria's international education system, and through skilled migration.

The Government is continually seeking to improve the regulatory environment for business. We will work with industry where specific issues are identified to address state-based issues, and advocate for industry at a national level on Commonwealth Government regulatory issues.

Telecommunications infrastructure is an essential foundation for competitiveness in professional services. We will continue to advocate for a business-focused rollout of the National Broadband Network, as well as investing to improve digital connectivity across metropolitan Melbourne and regional Victoria.

Through its procurement policies, the Victorian Government plays a key role in creating growth opportunities for professional services. In 2014, the Government invested over \$10 billion in purchasing goods and services that enable our health, education, justice, transport, and other systems to operate at optimal levels. Professional services firms are major suppliers to government, and we are taking steps to create more opportunities for innovative firms to benefit from Victorian Government projects.

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"The Victorian Government should encourage the clustering of financial services in Victoria by attracting and maintaining a highly skilled workforce."

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Australian Centre for Financial Studies (ACFS)



## What we plan to do

### 10. Advance workforce skills for the future with industry associations and education and training providers

We will build upon existing relationships between the Victorian Government and higher education providers (universities, TAFEs and private sector training organisations) to open up the conversation about the changing skills needs in the professional services industry. We will encourage closer ties between industry and education providers to ensure that graduates are 'work ready' and equipped with the skills needed by industry.

An integrated learning environment is critically important to providing greater opportunities for students to engage in work. The Victorian Government will develop a program that supports integrated learning, through providing a platform for education providers, government and business across Victoria to connect with students, and offer leadership, internship, and volunteering experience.

The Government is also committed to building Victoria's digital skills for the future. We will work with industry and education partners to identify and build high-demand skill sets, such as information technology and data analytics.

International education and skilled migration will continue to play an important role in developing a globally connected workforce, as outlined in the Victorian Government's International Education sector strategy.

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### 11. Advocate regulatory reform for the professional services sector

In partnership with industry, the Victorian Government will advocate for regulatory reform at a Commonwealth Government level to benefit our professional services sector. Areas that we will investigate for potential action include:

- Working with the Commonwealth Government as it progressively implements recommendations contained in the December 2014 final report of the Murray Financial System Inquiry
  - Addressing non-tariff barriers to trade for professional services firms in Asia with the Department of Foreign Affairs and Trade
  - Working with the Australian Bureau of Statistics and others to improve the quality of export data in the professional services sector.
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## 12. Invest in Victoria's digital future

The Victorian Government is working with the Commonwealth to ensure that the rollout of the National Broadband Network creates opportunities for Victorian businesses to fully embrace digital commerce and work practices. The Victorian Government is investing heavily in digital infrastructure, including:

- \$21 million to remove 109 regional mobile blackspots, through an \$86 million partnership with the Commonwealth Government and Telstra
- \$18 million to improve mobile voice and internet connectivity on Victoria's Regional Rail Network
- Piloting an \$11 million public Wi-Fi network in Melbourne, Ballarat and Bendigo.

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## 13. Leverage government procurement to drive innovation and growth

The establishment of Infrastructure Victoria will improve the flow of information about the state's major infrastructure projects and allow professional services firms to improve their forward planning, financing and resource allocation. This will help position local firms to better prepare to capture a greater share of local project work.

We have announced plans to build new smart roads to improve Victoria's public transport system, and to invest in major urban renewal projects that will directly create jobs for the professional services sector.

We have put in place changes to help local businesses get their fair share of work from government procurement. For government procurement projects with a total value in excess of \$50 million, a local content target is now set that needs to be met – meaning more work for local businesses and more local jobs. We are also looking at other opportunities to further strengthen our local content policies.

We will create new opportunities for innovation in Victorian Government procurement by establishing a series of innovation and design competitions, to showcase the state's capabilities in professional services and bring together the brightest and most creative thinkers to address real problems.

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# Supporting Victoria's professional services sector into the future

We will deliver this strategy in partnership with industry and other key stakeholders to achieve lasting positive change for our professional services sector and Victoria's overall economic prosperity.

Successful implementation of this strategy will see measurable progress in the following areas:

- More capital investment in the sector
- Growth in the sector's contribution to the state's Gross Value Add to Production
- Growth in exports and sales by foreign affiliates
- More businesses with an annual turnover exceeding \$20 million
- More skilled jobs created in the sector
- More international participants at key industry events.

## Victorian Government Programs

There are a range of programs which will support and complement delivery of the Professional Services sector strategy.

<b>Future Industries Fund</b>	<p>The \$200 million Future Industries Fund will support implementation of the Government's high-growth sector strategies, including support for businesses and industry.</p> <p><a href="http://www.business.vic.gov.au/support-for-your-business/future-industries">http://www.business.vic.gov.au/support-for-your-business/future-industries</a></p>
<b>The Premier's Jobs and Investment Fund</b>	<p>The \$508 million Premier's Jobs and Investment Fund will drive economic growth and create high-skill, high-wage jobs in Victoria.</p>
<b>Regional Jobs and Investment Fund</b>	<p>The \$500 million Regional Jobs and Investment Fund is providing funding for targeted regional infrastructure, jobs and community projects.</p> <p><a href="http://www.rdv.vic.gov.au/regional-jobs-and-infrastructure-fund">http://www.rdv.vic.gov.au/regional-jobs-and-infrastructure-fund</a></p>
<b>Victorian Industry Participation Policy</b>	<p>Each year, the Victorian public sector spends more than \$10 billion on procurement activities from goods and services to construction. The Victorian Industry Participation Policy requires government agencies to consider competitive local suppliers when awarding government contracts. For government procurement projects valued at \$50 million or more, minimum local content requirements are set that must be satisfied.</p>
<b>LaunchVic</b>	<p>The Victorian Government, through its \$60 million Start-up Initiative, will establish LaunchVic as an independent entity to grow Victoria's broader start up ecosystem in partnership with the start-up community.</p>

### Contacts

**Email:** [professional.services@ecodev.vic.gov.au](mailto:professional.services@ecodev.vic.gov.au)

**Phone:** 13 22 15

**For more information:** <http://www.business.vic.gov.au>



