

Australia's Startup Sector

We tell the story of Australian startup sector



With big business and industry the key drivers for economic stability, the last two decades have seen a big shift from manufacturing to services. They call it 'The New Economy'.

Countries across Europe and the Americas recognised the importance of startups as a potential source of economic growth and a vehicle for wholesale social change, having the potential to change people's employment and work methodology. In Australia though, there's a different story. There's still work to be done to secure the future of the startup industry and catch up with rest of the world.

For starters, Australia's startup sector is grossly underfunded. This is despite a Google report proclaiming the potential of the Australian startup economy: "The Australian tech startup sector has the potential to contribute \$109 billion or 4% of GDP to the Australian economy and 540,000 jobs by 2033 with a concerted effort from entrepreneurs, educators, the government and corporate Australia."

The potential is there, the funding isn't. While there are endless incubation programs and accelerator funding options available, consistent, and substantial support for Australian startups is lacking. The government seems unwilling to fully commit education, funding, and legislation to the industry. The UK and the US have made significant changes to education, ensuring a much greater focus on STEM subjects (Science, Technology, Engineering and Maths). Why? Because they know that graduates in these fields are the ones launching the most successful startups.

The recent suspension of the government's 'Commercialisation Australia' program is a perfect example of Australia's reluctance to fully engage. The program was suspended in March pending further review until after the May Federal Budget, a decision met by a fierce backlash. It meant the loss (at least temporarily) of essential funding and resources. But it also addressed one of Australia's greatest challenges: the loss of intellectual capital to brighter overseas opportunities.

The light at the end of the tunnel comes from the private sector, overflowing with big success stories that tout the importance of finding and funding good ideas. They show that reward can result from patience, and perseverance.

It's why creating opportunities for founders is a big deal. For every startup lacking funding and support, there are just as many investors lacking bright ideas to invest in. Unlike government-funded programs, pitch events offer founders the chance to showcase their idea among industry peers and influencers. They know that their passion and vision will be heard, not just the numbers they can reel off and the boxes they can tick.

Entrepreneurs believe in nurturing ideas, taking a constructive approach with results measured by progress, not just dollars. We know, we've walked that path. But entrepreneurs are only one part of the solution. Startup culture depends on the ecosystem and to prevent the government's choice to deliberate rather than innovate from doing harm, the private sector has to step up to the plate.

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