



Public Accounts & Estimates Committee

Minister for Financial Services

19 June 2006

Financial Services - The Portfolio

- ❖ Victoria is the only Australian State to have a Ministerial portfolio for Financial Services
- ❖ The portfolio covers finance and insurance services
- ❖ Also responsible for development of associated service industry sectors
 - Contact and shared service centres
 - Professional and business services (eg legal, accounting, consulting)
 - Building and construction services

Financial Services – Contributions to the Economy

- ❖ Third largest sector in the Victorian economy
 - Contributing 9% to the Victorian economy in 2004/05 or \$16.8 billion
 - Annual average growth rate of 10% since 1999
 - Employs around 100,000 people or 4% of the total Victorian workforce
 - Victoria's financial services industry, measured by employment, is similar in size to that of Hong Kong or Singapore

Investing in Victoria's Future – Key Themes

Building on Victoria's strengths in Financial Services

- ❖ \$1.8 million of initiatives associated with the *Financial Services Industry Action Plan* build on:
 - Victoria's outstanding research capabilities in financial services
 - Strengths in education and training
 - Positioning Victoria internationally as a financial services centre and attracting investment from overseas
 - Promoting Victoria as a centre for venture capital
 - Exploring new growth and investment opportunities for the State in emerging sectors

Financial Services – Key Achievements 2005/06

❖ Melbourne Centre for Financial Studies

- Launched in August 2005
- A joint venture between the Universities of Melbourne, Monash and RMIT and FINSIA

❖ New investment facilitated

- Approximately 700 new jobs
- \$40 million in new investment in the portfolio

❖ Establishment of new financial services operations, including

- Future Fund
- Expansion of GE Money head office
- UCMS RHQ

Financial Services – Key Achievements 2005/06

Marketing Melbourne

- ❖ Victoria as a key financial centre through attraction and support of key industry events, including
 - Asian Bankers' Association Annual Conference (October 2005)
 - Australian Superannuation Funds Management Association (ASFA) Conference (November 2005)
 - Melbourne International Venture Capital Conference (January 2006)
 - Melbourne Financial Services Symposium (April 2006)

Financial Services – Key Achievements 2005/06

Supporting development of export opportunities in financial training and education

- ❖ Monash University
 - Assistance to market education and training in Asia

Skills and education initiatives

- ❖ Higher education forums convened on funds management and banking
- ❖ *Careers in Finance* website launched

Investing in Victoria's Future – Key Themes

Building on Victoria's strengths in Financial Services

- ❖ Five industry working groups established to advise on these initiatives
 - Education and Training
 - Marketing and Investment Attraction
 - Venture Capital
 - Research and New Markets
 - Regulatory Review and Advocacy

The Wider Portfolio

- ❖ Covers wider range of industry sectors
- ❖ Primary focus
 - Export of services
 - Employment growth in contact centres
 - Shared services
- ❖ Export focus is Middle East and China
- ❖ Integrated long-term export strategy using
 - Trade fairs and missions
 - VGBOs
 - Inbound visits

Financial Services – Priorities & Challenges 2006/07

- ❖ Completion of final stages of *Financial Services Industry Action Plan*
- ❖ Ongoing consultation with industry
- ❖ Creating greater international linkages for Victoria as a world class centre for financial services and financial research
- ❖ Supporting further investment and employment growth in Victoria's financial services industry
- ❖ Developing the export of services, particularly
 - Financial
 - Construction
 - Professional services