



Victoria's startup ecosystem 2023

December 2023





Growing Victoria's startup ecosystem.

LaunchVic is Victoria's startup agency. Our role is to fuel the growth of the local startup ecosystem.

We do this by building the confidence and capability of Victorians to create, scale and invest in startups.

We were established by the Victorian Government in 2016.



Global startup & venture capital intelligence platform.

Dealroom.co is the foremost data provider on startup, early-stage and growth company ecosystems in Europe and around the globe.

Founded in Amsterdam in 2013, we now work with many of the world's most prominent investors, entrepreneurs and government organisations to provide transparency, analysis and insights on venture capital activity.

Why this report?

This report builds on the first edition of Startup Employment in Victoria (2021) and The State of Victoria Startup Funding (2022). The findings help us measure the size of Victoria's startup ecosystem on a number of different fronts, from local value creation to employment, to startup demographics.

The analysis presented here covers a wide range of metrics to help readers navigate the State's startup ecosystem, including VC investment and value creation over time, where most jobs are created across the startup lifecycle, the ecosystem's biggest sectors and fastest growing niches and beyond.

Why is it important?

1. Startups create **economic growth** through innovation, knowledge and jobs
2. Startups create **wealth** for their founders, (early) employees and investors
3. Startup success (and failure) creates positive **spillover effects** into more entrepreneurial activity
4. Startups' products and services provide consumers with **greater choices**
5. Many startups address **global challenges** (climate, health, education)
6. Enabling countries to build independent critical tech infrastructure: **tech sovereignty**

“
This year has been tough for startups attracting venture capital. Despite this, Victoria's ecosystem has continued to grow with a valuation now greater than \$100B and a total jobs increase of 12.5 per cent since the last employment report in 2020.”

Kate Cornick
CEO
LaunchVic



Scope of the report.

Throughout the report, “startup” is used to commonly refer to all subtypes of eligible companies, including startups, scaleups and unicorns. The majority of the data presented in this report is made available on the [Victoria startup ecosystem database](#), which is powered by Dealroom in partnership with LaunchVic.

Report is conducted based on data collected as of November 2023. When not specified otherwise, data is provided in AUD (referred as \$).

VC landscape

The VC landscape section of this report focuses on Victorian startups founded after 2003.

Startups founded in Victoria, which later relocated abroad but maintain a significant presence here are also included, as long as they were founded after 2003.

All unicorns founded and headquartered in Victoria, between 1990 and 2003, are also included.

Jobs and Employment

The employment scope of this report covers 1.4K Victorian-based startups founded since 2003, as well as all unicorns based in Victoria founded since 1990.

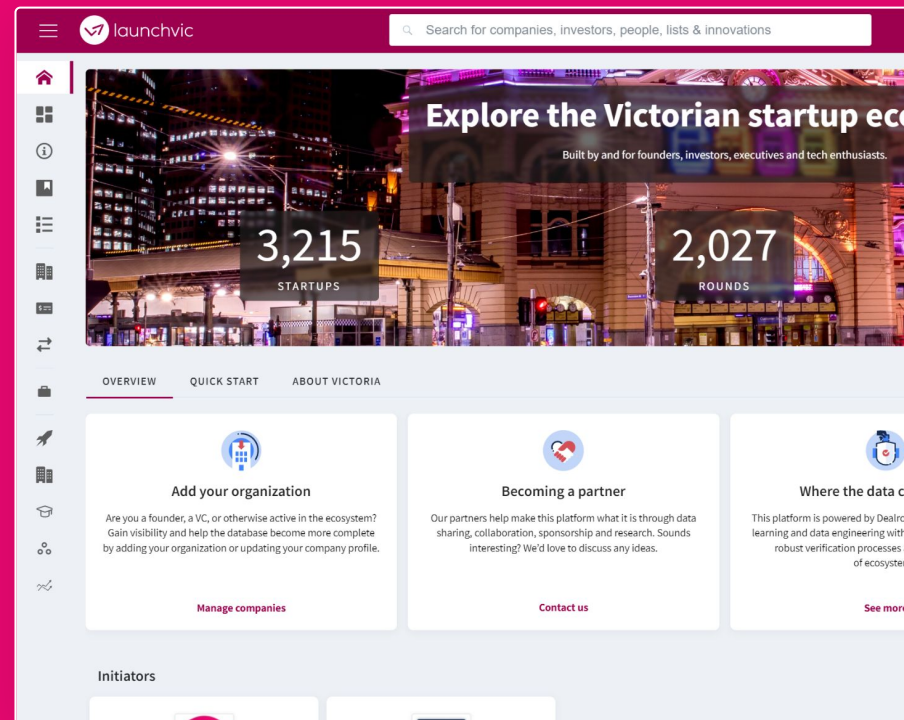
The employment section only includes companies currently headquartered in Victoria, and is focused on local jobs - defined as jobs created by Victorian startups in Australia. Foreign startups with a presence in Victoria and startups founded in Victoria but relocated elsewhere are not included.

Please refer the methodology section at the end of this report for more details on our approach.

Discover the most promising
Victorian companies on:

dealroom.launchvic.org

Powered by



What you need to know.

Victorian startups are now worth more than \$100B.

The Victorian tech ecosystem is home to 19 unicorns. The number of tech companies is growing, with 1K+ active VC backed startups.

Health, Fintech and Real Estate lead VC investment and number of local jobs.

Health, Fintech and Real Estate startups raised 62% of all VC investment in 2023, and they make up 43% of all startup jobs in Australia.

Victorian startups attracted \$668M in 2023 so far, returning to 2018 levels.

Rounds between \$15M and \$100M remain above pre-pandemic level, but there have been no rounds above \$100M. Victoria has maintained its position compared to peer ecosystems as VC investment has slowed down globally.

The top 5 biggest unicorns in Victoria create more than 20% of all local jobs.

The top 5 employers - REA Group, SEEK, MYOB, Carsales and Judo Bank - are responsible for 7.5K jobs.

Key Figures.

35.6K

Jobs created locally

i.e. people employed by Victorian startups in Australia.

26.4K (71%)

People employed by Victorian startups in Victoria.

20.4K

jobs created abroad

by Victorian startups globally.

\$103B

Ecosystem Valuation

Growing 18x since 2016.

\$668M

VC investment raised by startups in 2023 so far

Victoria ranks 2nd in Australia for VC investment raised.

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- 2. VC landscape update**
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Co-authors:



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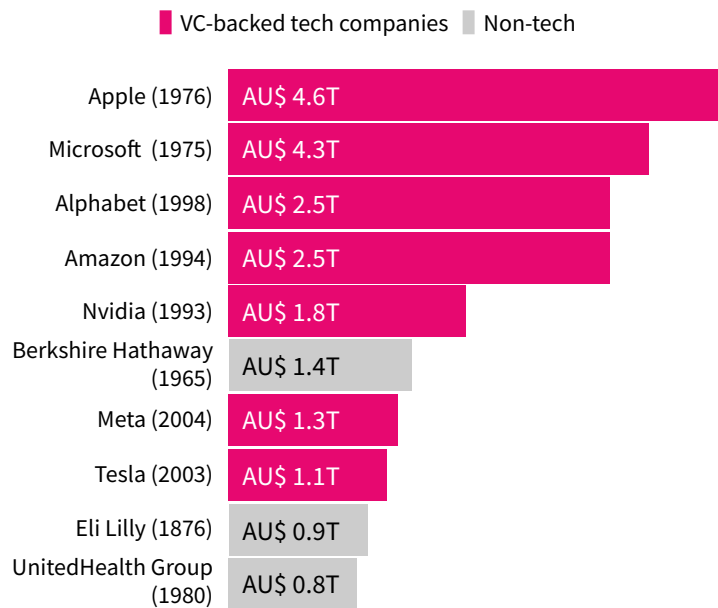


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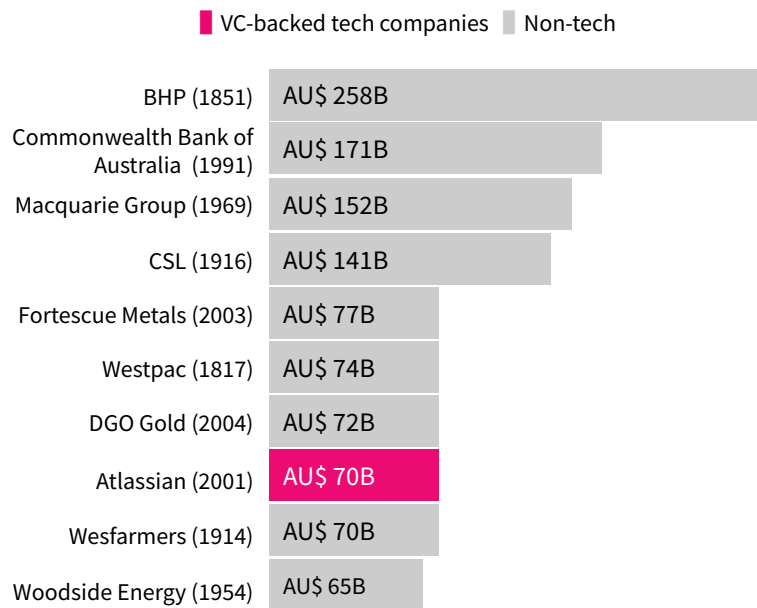
1 | Victorian startups in numbers

The Australian corporate landscape is dominated by non-tech, non VC-backed companies.

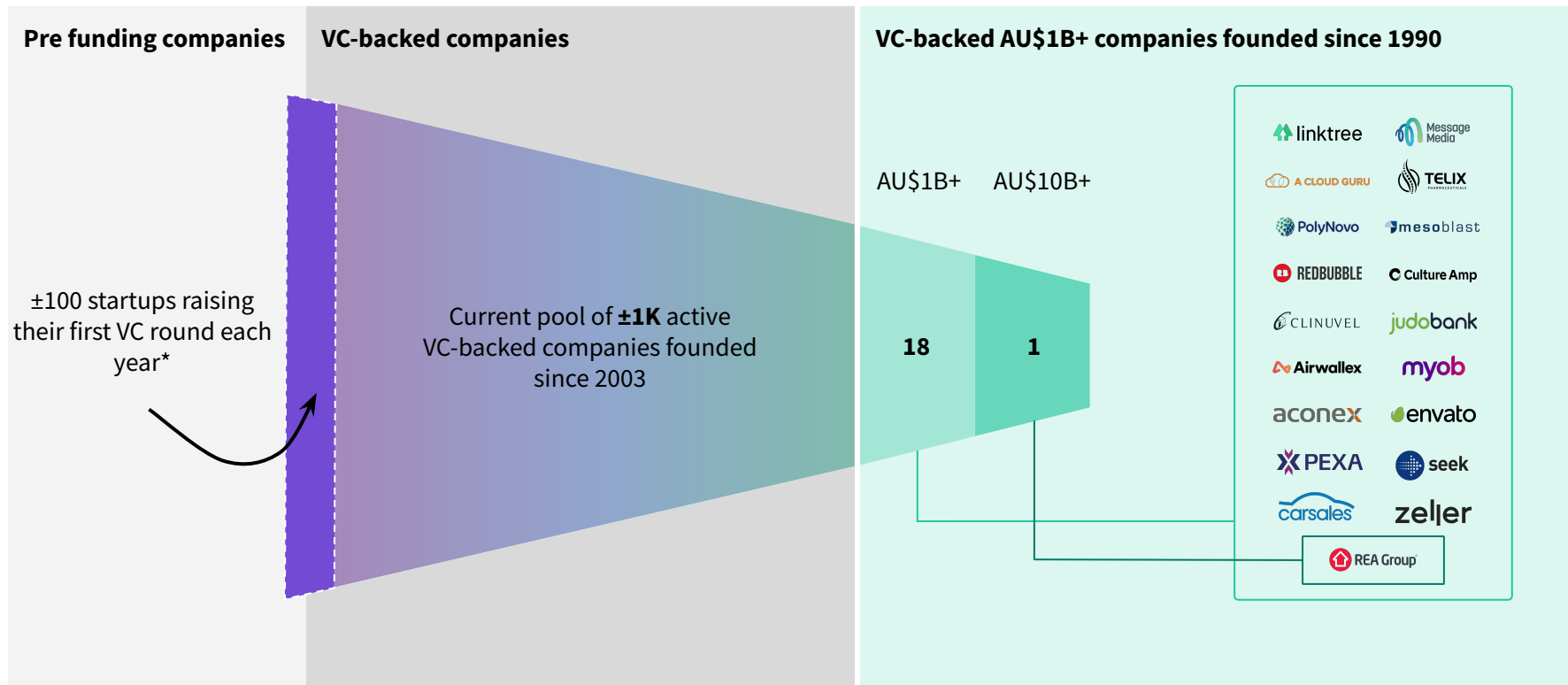
Selected US Corporates [»view online](#)



Selected Australian Corporates [»view online](#)



The number of VC-backed tech companies is growing however, with 19 Victorian tech companies valued above AU\$1B+.



1,300+ Victorian startups founded since 2003 are VC-backed.

For example, out of companies founded in the year 2015, 128 have gone on the VC-backed journey.

Of those 69 have raised a round under US\$1M, but have not gone on to raise a further round. 32 have raised a round between US\$1-4M, but not raised a further round. One firm has raised at least US\$250M+.

	US\$0-15M (AU\$0-23M)			US\$15-100M (AU\$23-155M)		US\$100M+ (AU\$155M+)		
Founding year	US\$0-1M	US\$1-4M	US\$4-15M	US\$15-40M	US\$40-100M	US\$100-250M+	US\$250M+	Total
2003	8	5	3	1	0	0	0	17
2004	7	3	1	1	0	0	0	12
2005	5	3	3	2	2	1	1	17
2006	10	7	5	4	3	2	1	32
2007	14	10	6	1	0	0	0	31
2008	9	7	2	1	0	0	0	19
2009	16	11	8	3	1	0	0	39
2010	16	10	7	2	0	0	0	35
2011	29	16	8	6	4	1	0	64
2012	35	17	12	6	2	0	0	72
2013	60	33	14	4	1	0	0	112
2014	53	22	11	3	1	0	0	90
2015	69	32	17	6	2	1	1	128
2016	82	36	20	8	2	2	1	151
2017	85	35	14	4	0	0	0	138
2018	68	22	11	3	2	1	0	107
2019	62	33	14	2	1	0	0	112
2020	61	20	5	2	1	0	0	89
2021	40	13	3	1	1	0	0	58
2022	23	7	3	1	0	0	0	34
2023	8	2	1	0	0	0	0	11
Total	760	334	168	61	23	8	4	1,368

Around 20% of VC backed startups founded since 2003 have raised \$15M or more.

This is below global average with 30% of companies raising \$15M or more.

	US\$0-15M (AU\$0-23M)			US\$15-100M (AU\$23-155M)		US\$100M+ (AU\$155M+)	
Founding year	US\$0-1M	US\$1-4M	US\$4-15M	US\$15-40M	US\$40-100M	US\$100-250M+	US\$250M+
2003	100.0%	53.0%	24.0%	6.0%	0.0%	0.0%	0.0%
2004	100.0%	42.0%	17.0%	8.0%	0.0%	0.0%	0.0%
2005	100.0%	71.0%	53.0%	35.0%	24.0%	12.0%	6.0%
2006	100.0%	69.0%	47.0%	31.0%	19.0%	9.0%	3.0%
2007	100.0%	55.0%	23.0%	3.0%	0.0%	0.0%	0.0%
2008	100.0%	53.0%	16.0%	5.0%	0.0%	0.0%	0.0%
2009	100.0%	59.0%	31.0%	10.0%	3.0%	0.0%	0.0%
2010	100.0%	54.0%	26.0%	6.0%	0.0%	0.0%	0.0%
2011	100.0%	55.0%	30.0%	17.0%	8.0%	2.0%	0.0%
2012	100.0%	51.0%	28.0%	11.0%	3.0%	0.0%	0.0%
2013	100.0%	46.0%	17.0%	4.0%	1.0%	0.0%	0.0%
2014	100.0%	41.0%	17.0%	4.0%	1.0%	0.0%	0.0%
2015	100.0%	46.0%	21.0%	8.0%	3.0%	2.0%	1.0%
2016	100.0%	46.0%	22.0%	9.0%	3.0%	2.0%	1.0%
2017	100.0%	38.0%	13.0%	3.0%	0.0%	0.0%	0.0%
2018	100.0%	36.0%	16.0%	6.0%	3.0%	1.0%	0.0%
2019	100.0%	45.0%	15.0%	3.0%	1.0%	0.0%	0.0%
2020	100.0%	31.0%	9.0%	3.0%	1.0%	0.0%	0.0%
2021	100.0%	31.0%	9.0%	3.0%	2.0%	0.0%	0.0%
2022	100.0%	32.0%	12.0%	3.0%	0.0%	0.0%	0.0%
2023	100.0%	27.0%	9.0%	0.0%	0.0%	0.0%	0.0%

Less than 1% of Victorian startups raised a combined US\$250m+.

Culture Amp CYARA
Airwallex judobank

AU\$140M VC investment deployed by startups founded since 2021. Examples include:

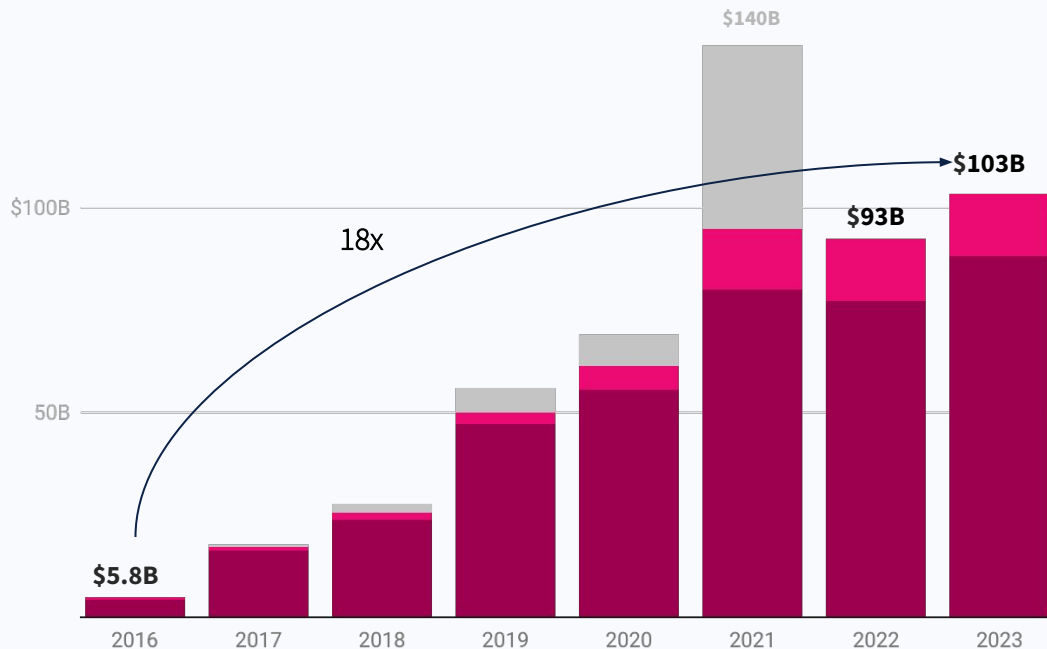
Aerotruth MoreGoodDays PERION

2 | VC landscape update

Victorian startups are now worth more than \$100B, a 18x increase since 2016.

Combined enterprise value of Victorian tech companies

[» view online](#)



► Value of Afterpay, founded and HQ in Sydney, HQ in Victoria until 2021.

afterpay

► Startups, scaleups and unicorns founded in Victoria that moved their HQ outside of Victoria

Airwallex

A CLOUD GURU

PERSUIT

nitro

► Startups, scaleups and unicorns currently HQ in Victoria

zeller

amber

carbar

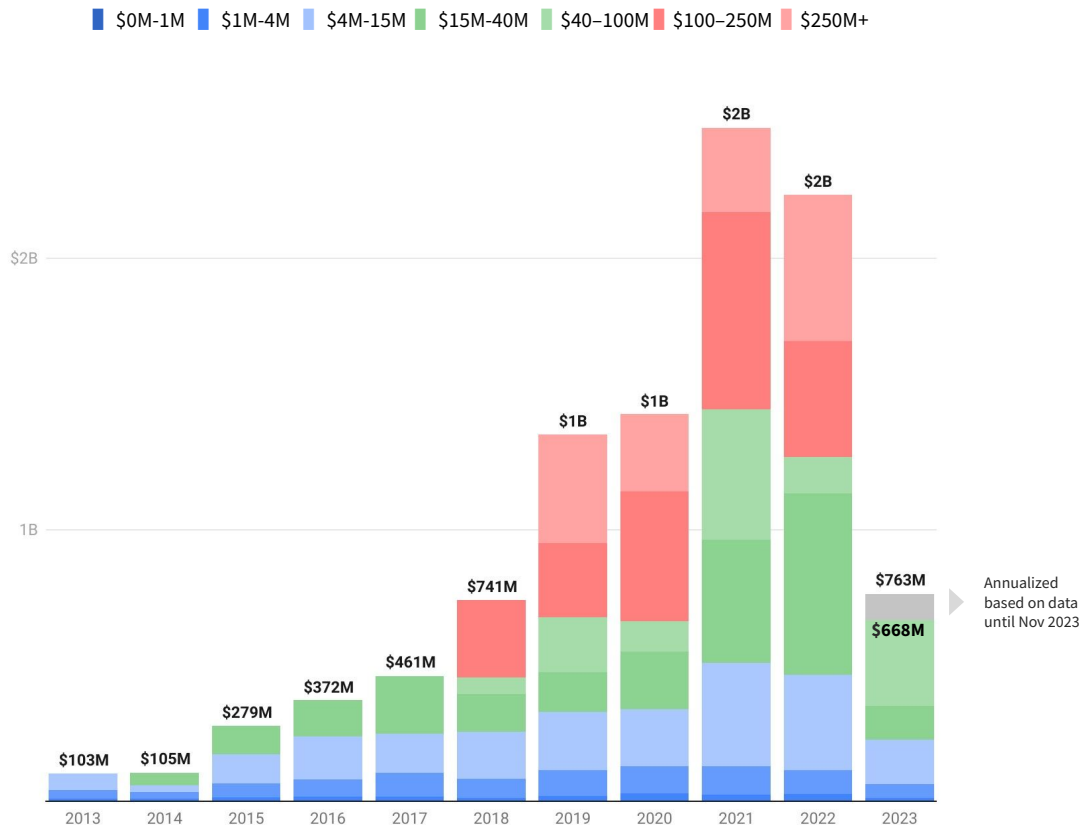
intern Match

PAYAPPS

JULY

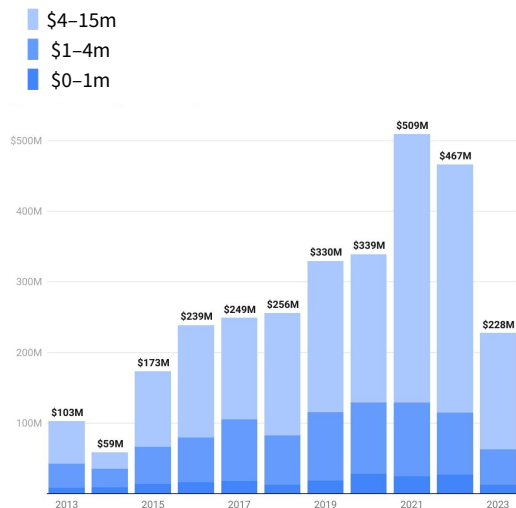
After a couple of record years, VC investment in Victorian startups have gone back to 2018 levels, with \$668M VC investment raised in 2023 so far.

VC investment into Victorian Startups [»view online](#)

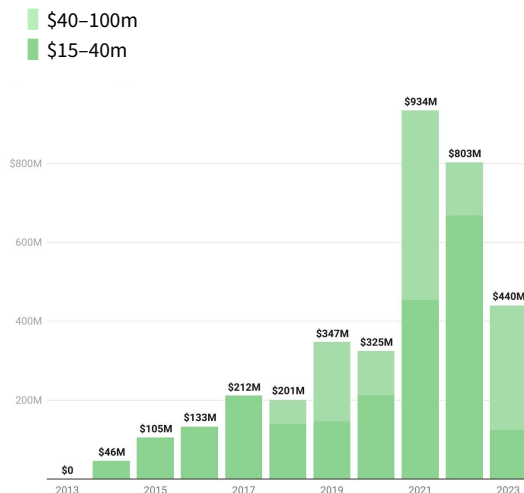


Rounds between \$15M and \$100M remain above pre-pandemic levels, while there have been no rounds above \$100M in 2023.

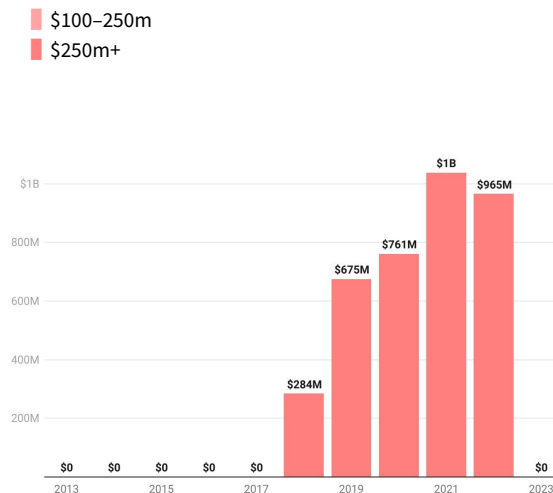
VC investment into 0-\$15M rounds



VC investment into \$15-\$100M rounds

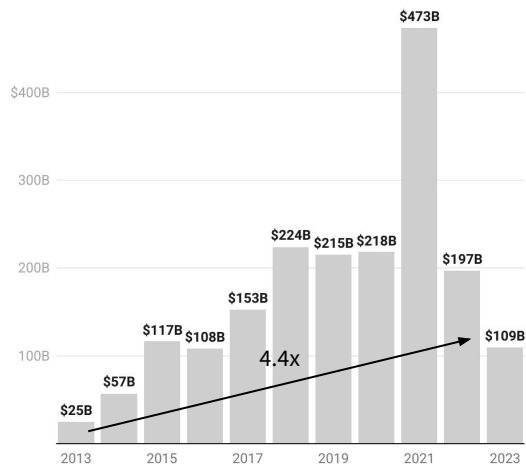


VC investment into \$100M+ rounds

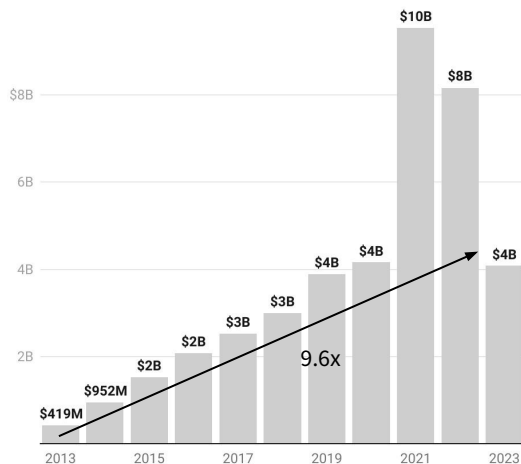


Until last year, VC investment in Victoria grew faster than global and Australian average. VC activity in 2023 remains below the \$1B threshold reached in 2019, though the slowdown is on par with the rest of the world.

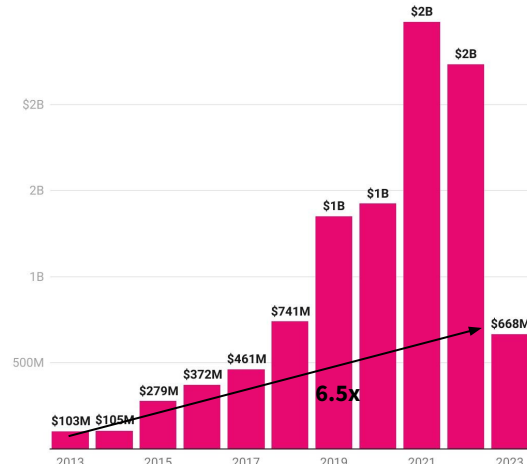
Global VC investment



Australia VC investment



Victoria VC investment



Victoria maintains 2nd place for VC investment raised in Australia, after New South Wales.

VC investment in selected Australian region

Region	2019	2020	2021	2022	2023	Rank 2019- 2022	2023 ranking	Change in Rank
New South Wales	\$2B	\$2B	\$5B	\$5B	\$2B	1	1	~
Victoria	\$1B	\$1B	\$2B	\$2B	\$668M	2	2	~
Queensland	\$208M	\$332M	\$2B	\$726M	\$297M	3	3	~
Western Australia	\$45M	\$81M	\$175M	\$229M	\$56M	5	6	▼ -1
South Australia	\$140M	\$146M	\$184M	\$151M	\$134M	4	5	▼ -1
Australian Capital Territory	\$15M	\$22M	\$102M	\$102M	\$142M	6	4	▲ +2

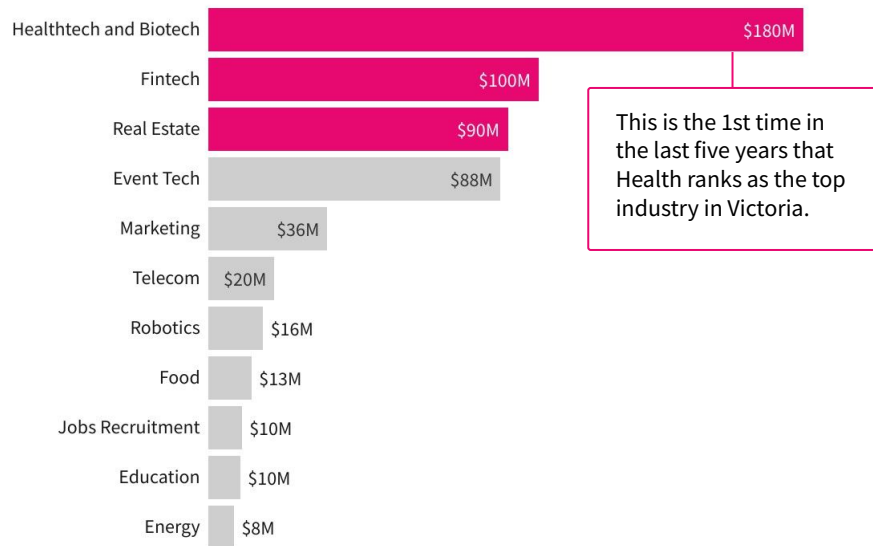
Victoria is also maintaining its position compared to peer ecosystems, as VC investment slowed down globally in 2023.

VC investment in Victoria vs selected peer global ecosystems

Ecosystem	2019	2020	2021	2022	2023	2019 to 2022 Ranking	▲ 2023 Ranking	Change in rank
Singapore	\$7B	\$6B	\$14B	\$12B	\$7B	1	1	~
Hong Kong	\$2B	\$3B	\$8B	\$4B	\$1B	2	2	~
Cambridgeshire	\$1B	\$885M	\$4B	\$2B	\$1B	6	3	▲ +3
Dublin	\$1B	\$1B	\$3B	\$3B	\$904M	4	4	~
Barcelona	\$2B	\$866M	\$3B	\$3B	\$898M	5	5	~
Victoria	\$1B	\$1B	\$2B	\$2B	\$668M	7	6	▲ +1
Detroit	\$772M	\$3B	\$4B	\$4B	\$600M	3	7	▼ -4
Mexico City	\$1B	\$723M	\$4B	\$1B	\$533M	8	8	~
Portland	\$1B	\$887M	\$2B	\$994M	\$489M	9	9	~
Auckland	\$272M	\$208M	\$414M	\$167M	\$365M	10	10	~

Healthtech and Biotech is the most funded segment in Victoria in 2023, followed by Fintech and Real Estate.

Top industries by VC investment raised in 2023 YTD

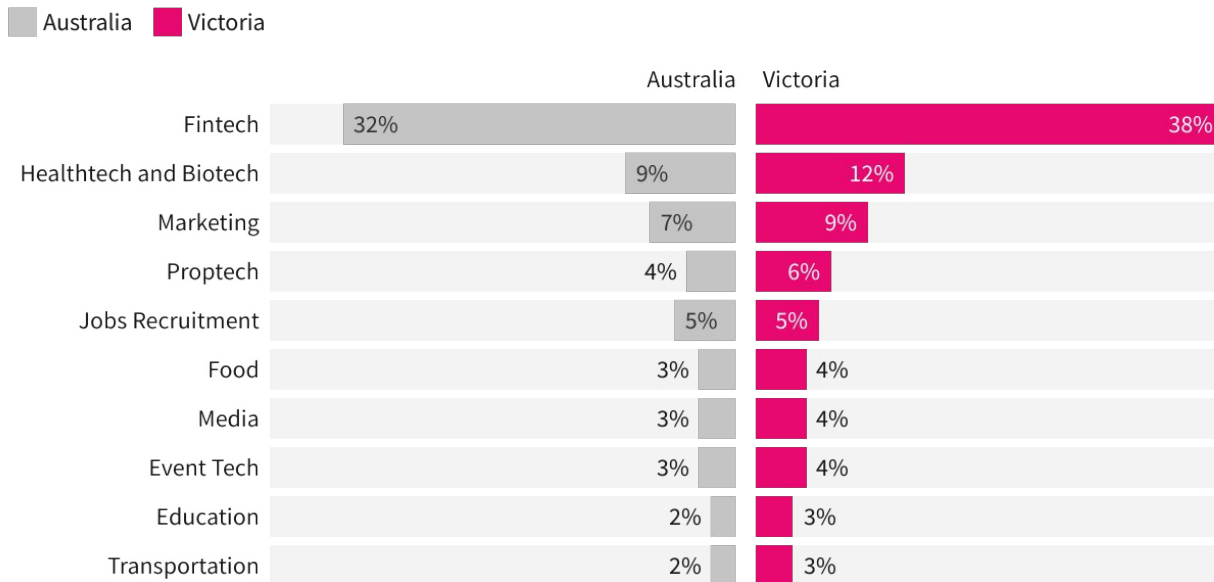


Top rounds in Healthtech and Biotech companies, 2023 [»view online](#)

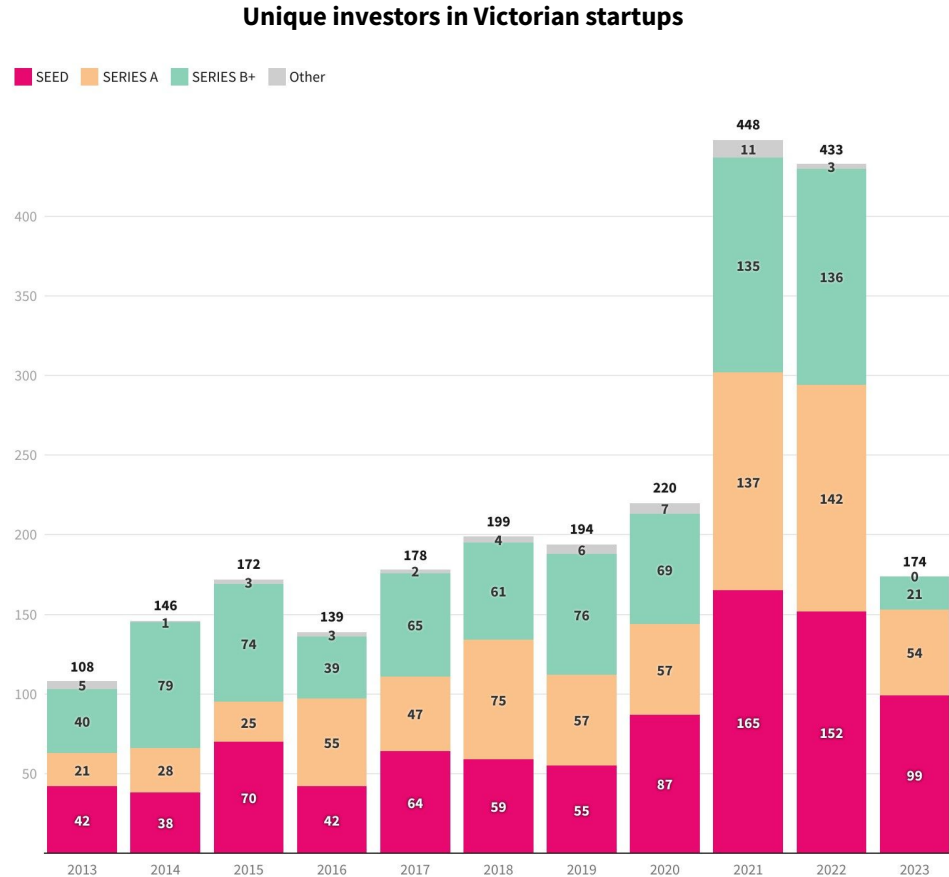
NAME	LAST ROUND	DATE	INVESTORS	MARKET	LOCATION
Mesoblast Developing and commercialising a...	\$40.0m PRIVATE PLACEMENT VC	Apr 2023	-	health biotechnology	Melbourne, Australia
Seer Medical Creating technology that revolutio...	AUD34.0m SERIES A	Aug 2021	Giant Leap Fund Cochlear SG Hiscock	health medical devices	Melbourne, Australia
Ena Respiratory ENA Respiratory is a clinical-stage ...	AUD32.0m EARLY VC	Jun 2021	Brandon Capital Partners Uniseed Ventures Minderoo Foundation	health pharmaceutical biotechnology	Sydney, Australia
Aravax Early stage biotechnology compan...	\$20.0m SERIES B	Dec 2022	Brandon Capital partners Tenmile	health pharmaceutical biotechnology	Melbourne, Australia
Bionic Vision Technologies Developed a suprachoroidal visual...	\$18.0m SERIES A	Apr 2017	China Huarong Slate Path Capital China Huarong International Holdings	health medical devices	Melbourne, Australia
Certa Therapeutics Developer of kidney disease treat...	AUD25.0m SERIES A	Jun 2018	Brandon Capital Partners Uniseed Ventures	health travel	Melbourne, Australia
Nutromics We exist to save millions of lives th...	\$14.0m SEED	Sep 2022	Artesian Capital Management Dexcom VU Venture Partners	health biotechnology medical devices	Melbourne, Australia
Global Kinetics Wearable sensor and advanced an...	\$13.3m SERIES A	Jun 2015	Brandon Capital Partners	health medical devices	Melbourne, Australia
Planet Innovation Planet Innovation Product Devel...	AUD20.0m LATE VC	Dec 2020	Australian Unity Office Fund Perennial Value Management	health robotics	Melbourne, Australia

Victoria showcases similar strength as the whole of Australia, with Fintech and Health capturing an even bigger share of VC investment compared to other sectors.

Venture Capital allocation by amount invested (2019–2023)



Though the total number of unique investors has shrunk, the number of early-stage investors has increased since 2020.



Dealroom.co | Created with Datawrapper.de. Round labels are based on publicly disclosures.
Angel and Support programs rounds are counted as Seed, Early VC rounds are counted as Series A, Late VC and Growth Equity rounds are counted as SERIES B+. Other includes Spinout, Convertible, Media for Equity and Private Placement VC rounds.

Source:



dealroom.co

Angel investment in Victorian startups is growing.

Selected Victorian companies backed by angel funds

Business angel funding in numbers

provided by  launchvic

9
LaunchVic
funded Angels

scale
investors.

FLYING
FOX

Impact
Investing
Australia

ecotone
ventures

ARCHANGEL

MEDICAL
ANGELS

PLAYBOOK
ventures

CUT THROUGH
angels

INNOVATION BAY

71

Investments

51

Startups

\$23M

Angel investment raised

3 | **Jobs in Victorian Startups**

This is the 2nd analysis of Victoria startup employment by Dealroom.co and LaunchVic.

Startup jobs created by
Victorian startups in Australia

31.6K jobs

People employed by Victorian startups in
Australia.

The 1st report on local value and job
creation of Victorian startups in Australia,
and the analysis of COVID-19's impact on
startup employment.



July 2021



December 2022

35.6K jobs

People employed by Victorian startups in
Australia.

Dealroom & LaunchVic's second employment
report, showcasing the Victoria startup
ecosystem's ability to deliver growth and value
creation locally and globally.



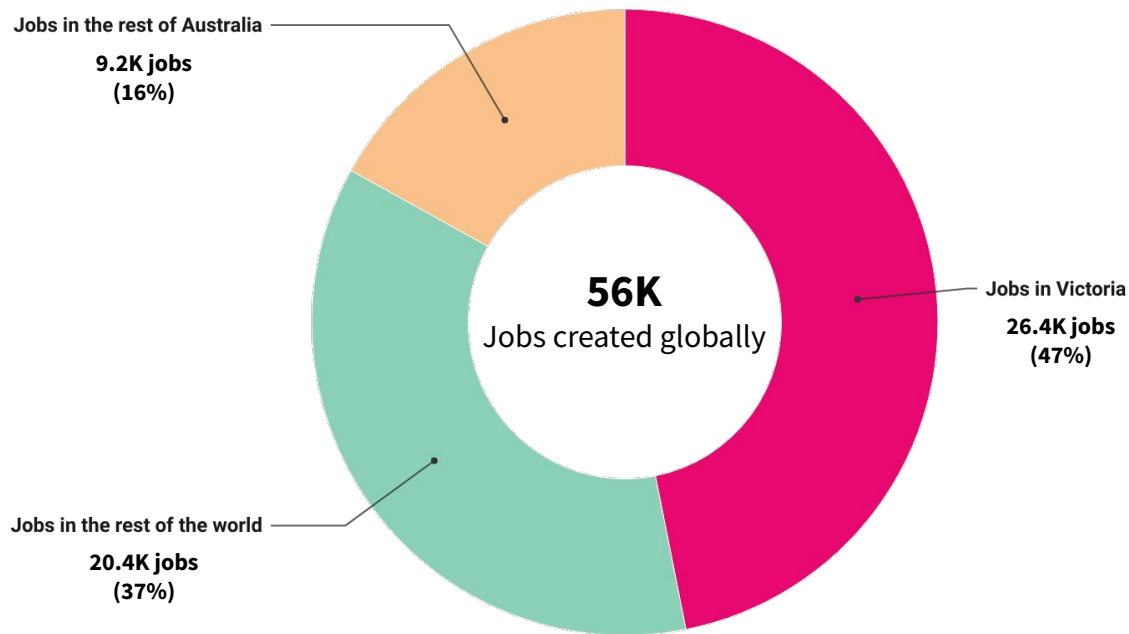
December 2023

Victoria-based startups have created 56K jobs, of which 63% are located in Australia.

Explore Victorian startups **creating jobs**:

[» View online](#)

Jobs created by Victoria-based startups by location

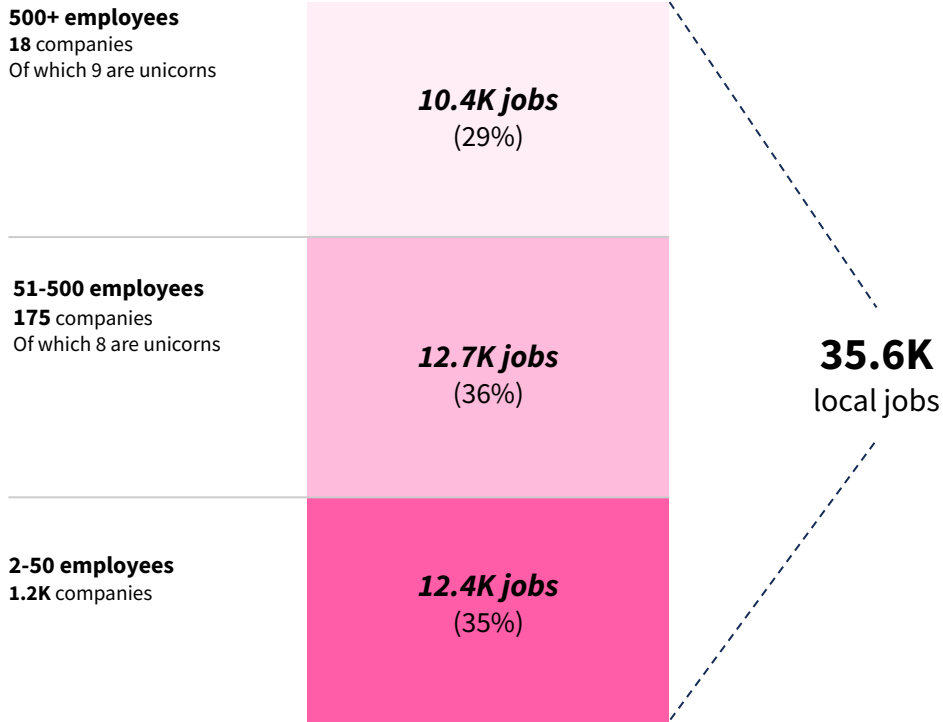


Local jobs split by company size.

Small, medium and large startups each account for around a third of the total startup workforce created in Australia.

The top five employers - REA Group, SEEK, MYOB, Carsales and Judo Bank - are responsible for 7.5K jobs (or 21% of local workforce).

Jobs by Victorian-based startups in Australia Jobs by company

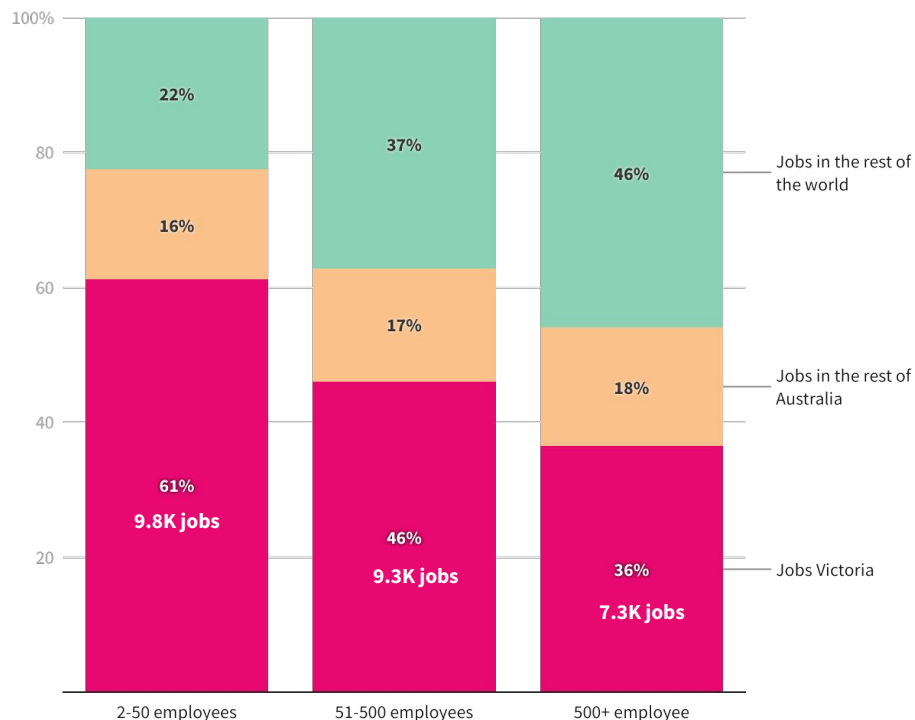


More than 60% of jobs at smaller startups are based in Victoria.

61% of jobs created at small startups are in Victoria, which accounts for **9.8K employees**. This is more than the **7.3K jobs** created at large startups in Victoria.

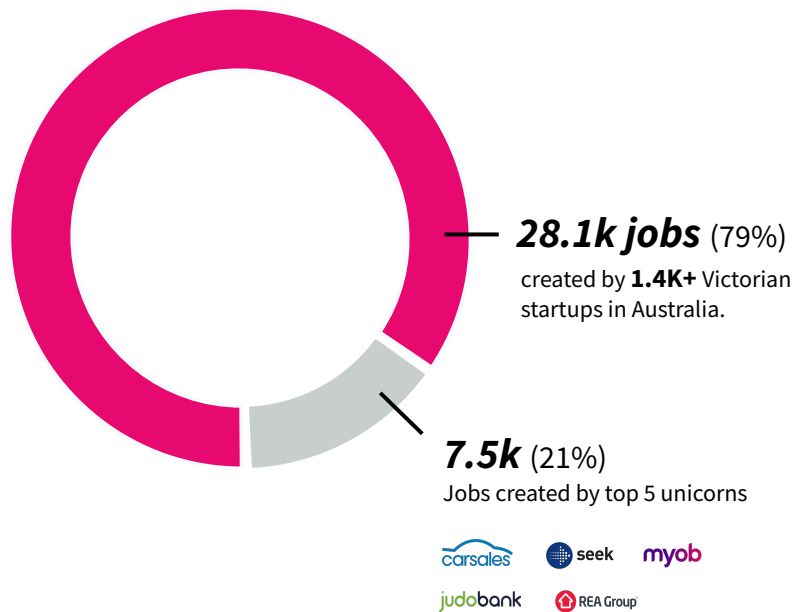
46% of the jobs created at startups with more than 500 employees are in the rest of the world.

Jobs created by Victoria-based by company size
Jobs by location

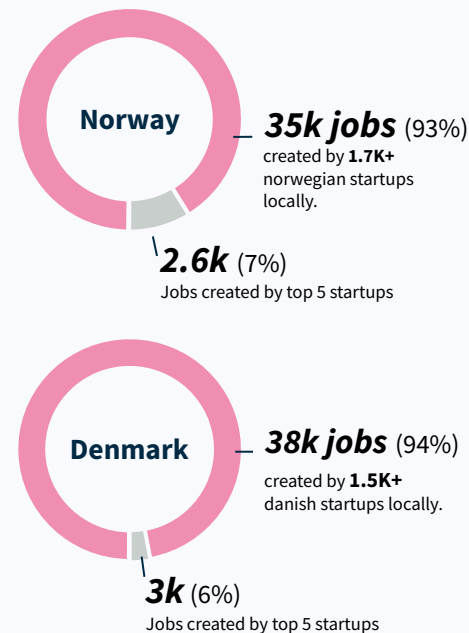


1 in 5 startup jobs are created by just five Victorian startups.

Jobs by Victorian startups in Australia.



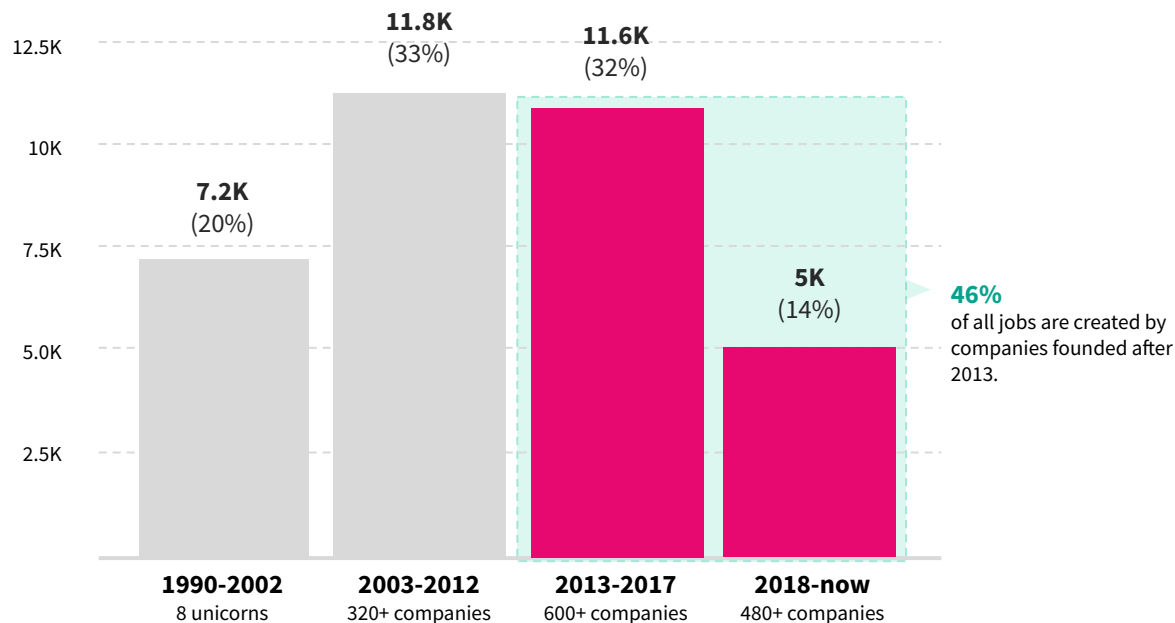
Job creation in Victoria is driven by a small group of startups. This is in stark contrast to similar ecosystems overseas. In the Nordics, Dealroom data shows that the vast majority of startup jobs are created by small, early-stage startups.



Close to half of local jobs are created by companies founded in the last ten years.

Jobs created by Victorian startups in Australia

Jobs by cohort



The youngest cohorts of companies contribute to close to half of all startup jobs created in Victoria : 1K+ companies founded since 2013 employ 16.1K people (or 46% of all Victoria's startup workforce).

The eight unicorns founded before 2003 account by themselves for 7.2K or 20% of local jobs.

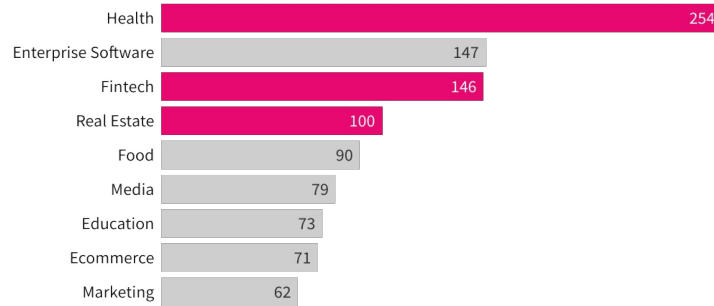
15K jobs created in Australia (43%) are in one of three sectors: Health, Fintech and Real Estate.

Fintech is the top industry by number of local jobs. MYOB, Judo Bank, Pexa are amongst the biggest single Fintech employers, with MYOB contributing 1.5K jobs by itself in Australia.

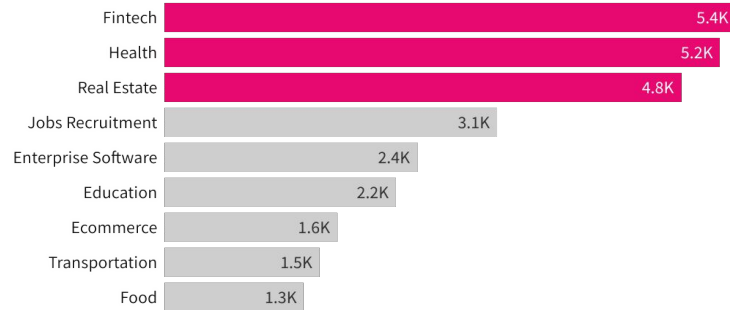
Health leads in number of startups. 250+ job-creating Health startups and scaleups help create most jobs in the segment.

60% of Real Estate jobs are created by REA Group.

Number of Victorian startups



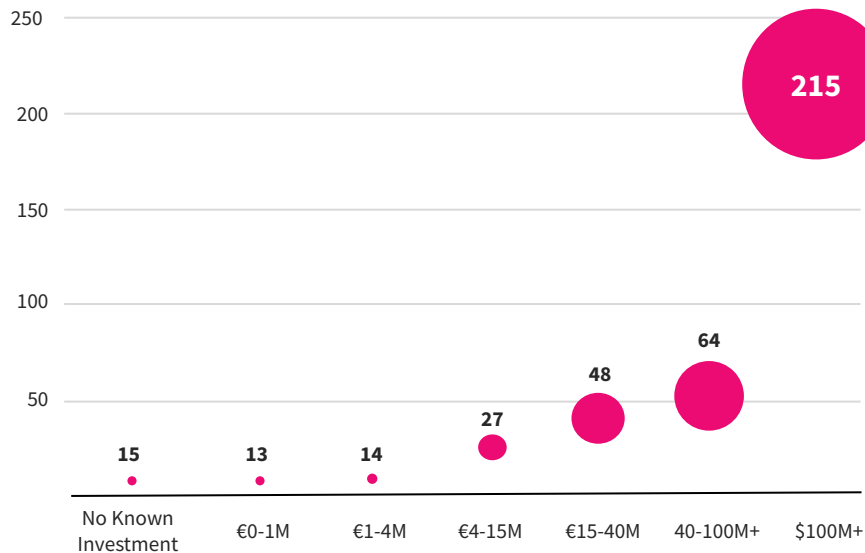
Jobs created by Victorian startups in Australia



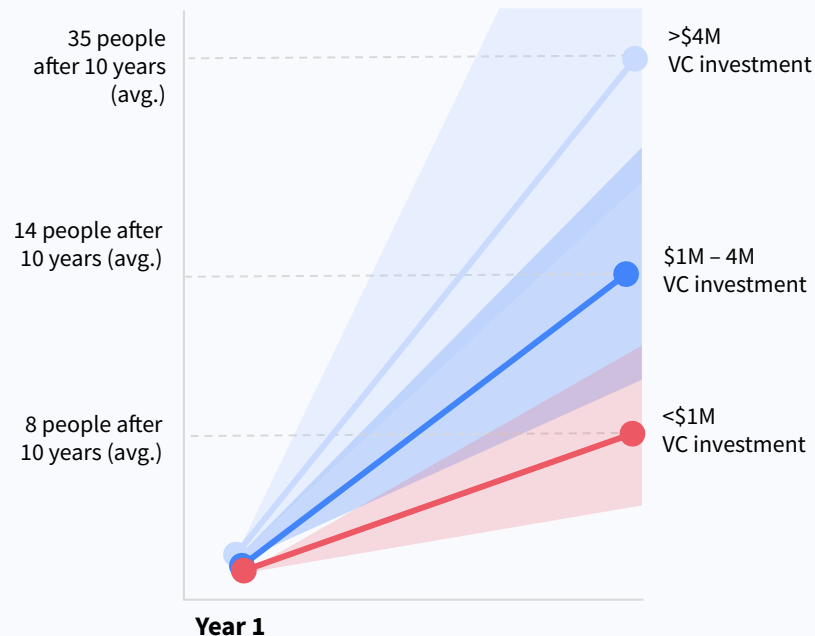
VC funding fuels job creation.

There's a positive correlation between startups and venture capital. On average, startups receiving more than \$1-4M funding scale twice as fast as those that didn't. Startups receiving >\$4M grow 2.5x faster than startups that received \$1-4M in funding.

Average team size (local employees) by VC-funding stage, 2023



VC-backed or not:
very different growth trajectories



Over 1,000 jobs listed in Victoria

Detailed search possibilities.

For instance:

*“Jobs at VC-backed impact
startups at Series A stage”*

» Search jobs

The screenshot displays the launchvicta website interface. At the top, there is a navigation bar with the launchvicta logo, a search bar containing the text "Search for companies, investors, people, lists & innovations", and an "ADMIN ACCOUNT" button. A vertical sidebar on the left contains icons for home, grid, info, document, list, building, calendar, double arrows, briefcase, rocket, building, graduation cap, network, and a magnifying glass. The main content area is a grid of job listings. Each listing includes a company logo, the company name, a status (e.g., "is hiring"), the job title, location, posting date, a valuation bar chart, and a "View on website (via PredictLeads)" link. The listings shown are:

- REAGroup**: Marketing Manager, based in Melbourne, posted on 30 Nov 2023. Valuation: AUD20.7B.
- REAGroup**: Graphic Designer – Corporate, based in Melbourne, posted on 30 Nov 2023. Valuation: AUD20.7B.
- Culture Amp**: Senior Product Manager, based in Melbourne, posted on 30 Nov 2023. Valuation: AUD2.3B.
- Telix Pharmaceuticals**: Territory Account Manager - Pacific Northwest, based in Melbourne, posted on 30 Nov 2023.
- Raygen**: Procurement Officer, based in Melbourne, posted on 29 Nov 2023.
- Catapult Sports**: Senior Salesforce Administrator, based in Melbourne, posted on 29 Nov 2023.

At the bottom right, there is a chat icon with a red notification bubble containing the number 3.

Methodology & definitions

What is a startup?

“A startup is a company designed to grow fast” wrote Paul Graham, the legendary startup builder, investor and co-founder of Y Combinator. At Dealroom, we’ve found this the most useful explanation of the term startup. Generally, such companies are VC-investable businesses.

What is a startup?

By Dealroom.co

This report considers all startups founded since 2003.

For the purpose of this report, to better conform with LaunchVic’s definition of a startup, ‘a *young technology-based business that uses innovation to scale rapidly and capture market at a high velocity*’ we only consider startups founded since 2003.

What is a unicorn?

Unicorns are (former) startups that reached \$1B valuation or exit at one point in time. Unlike other startups, we also includes unicorns founded since 1990 in this report.

What is a unicorn?

By Dealroom.co

Startup jobs?

“jobs” and “employees” are used interchangeably. We distinguish between Jobs in Victoria, local jobs and global jobs.

Jobs in Victoria: Jobs created by Victoria-based startups in Victoria.

Local Jobs: Jobs created by Victoria-based startups in the entire country of Australia.

Global jobs: All jobs created by Victoria-based startups globally.

The employment section only includes companies currently headquartered in Victoria. Foreign startups and tech companies with a presence in Victoria and startups founded in Victoria but relocated elsewhere are not included.

Methodology & definitions

Underlying Data

Dealroom's proprietary database and software aggregate data from multiple sources: harvesting public information, user-submitted data verified by Dealroom, data engineering. All data is verified and curated with an extensive manual process.

The data on which this report builds is available via dealroom.launchvic.org. For more info please visit dealroom.co or contact support@dealroom.co. Data has last been updated in November 2023.

When not specified otherwise, data is provided in Australian Dollars (named \$ in this report).

Glossary & Definitions

Jobs numbers

Job numbers are sourced from publicly available data, incl. company statements and professional social media. All startups with more than 2 employees are included, VC backed or not. All jobs at startups are counted, not just tech jobs (i.e. mechanics, receptionists, helpdesk, ...). However, gig workers (e.g. riders, babysitters, ...) are generally not counted. Jobs at companies not covered in the report are not counted.

Sectors & Industries

Industry classification follows Dealroom's proprietary taxonomy, which was built specifically for startups. A given startup may belong to up to two industries.

Venture Capital, Investors

VC Investment numbers refer to rounds such as Seed, Series A, B, C, ... late stage, and growth equity rounds. VC investment figures exclude debt or other non-equity funding, lending capital, grants and ICOs. Investment rounds are sourced from public disclosures including press releases, news, filings and verified, user-submitted information.

Unique investors per round type

Includes investors with a least one investment in a VC investment round that particular year. A single investor can be counted multiple times in the same year if they participate in rounds with different labels.

