Rather than having aqua at the front and gold at the back, would it work to have the two colour schemes blended into the images? Or would it look nicer to stick to one colour scheme for the cover?

Having a magnifying glass in front of the two people makes it look like the two are being investigated.

The industry cover from last year had useful elements such as a laptop, a growth arrow, an email symbol, and an upload cloud. Are we able to capture some of these elements too (without making the cover too crowded)?
AUSTRALIA’S SERVICES EXPORTS ACTION PLAN

A GOVERNMENT AND INDUSTRY STRATEGY TO BOOST SERVICES EXPORTS

Transparency of government actions and industry initiatives
Collaboration across governments and with the services sector
Accountability for actions by monitoring and updating progress
Impact by prioritising actions that make the biggest difference
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Australia is, and will continue to be, a world-class provider of services. The services sector accounts for nearly three quarters of Australia’s Gross Domestic Product (GDP) and employs more than four out of five Australians.

Australia’s services sector has an important role to play in our health and economic recovery coming out of COVID-19. Our services businesses will have a positive impact on recovery not only in Australia, but across the world.

While Australian world-leading services firms have contributed significantly to our nation’s GDP, there is room to boost services exports as a greater proportion of our total exports. There is opportunity to capitalise on untapped export potential, and the strategic partnership generated between industry and government through the Services Exports Action Plan can play a crucial role in helping more services firms succeed in overseas markets.

Despite setbacks to our economy due to the COVID-19 pandemic, Australia is well placed to bounce back strongly. As economies gradually reopen, Australia will again look to tourism and international education — our two largest services exports that accounted for over 60 per cent of total services exports before the pandemic — to support our economic recovery. At the same time, it will look to the expansion of other services exports. This is where the Services Exports Action Plan – the first international strategy for services exports beyond tourism and international education – can play a key role.

This Action Plan lays out a strategic framework alongside practical steps to boost services exports. There are five macro-level outcomes that capture long-term goals identified by Australia’s services industries. Keeping these outcomes in mind, government and industry have together identified immediate actions to address issues faced by businesses across the breadth of Australia’s services sector as well as by specific industries. The five outcomes and related actions form the core of this Action Plan.

Going forward, the Action Plan will play a crucial role in providing a roadmap for overcoming the impediments Australian services exporters face.

There is enormous potential for international growth in Australian services exports across many areas of expertise from professional, financial, health, creative, to specialist mining services as well as in emerging sectors such as in digital services and e-commerce. Australia can leverage our comparative advantages, including our strong education and training system, multicultural society, well-developed regulatory settings, and our role as a promoter of strong international standards to support services export growth.

Our proximity to many of the world’s fastest growing economies across Asia and our extensive network of free trade agreements provide strong opportunities for our innovative and high-quality offerings across the breadth of Australia’s services sectors. In this context, ensuring the competitiveness of the Australian services sector is highly important to our economic recovery after COVID-19.
I am pleased to see that the development of this Services Exports Action Plan is a result of an innovative and unique partnership between government and industry. This partnership will continue with both government and industry working collaboratively to implement initiatives – starting with the 81 ‘actions’ identified in this Action Plan – to build and underpin Australia’s services exports.

I recognise that advancing services exports is best achieved through a partnership between government and business. We will continue to work with industry as it focuses on boosting our economy and creating more jobs through commercial wins in the services sector internationally.

I express my sincere gratitude to the industry representatives who have made a significant contribution to developing the Services Exports Action Plan. The Government looks forward to working with industry to broaden Australia’s services sector footprint abroad and grow Australia’s prosperity.

The Hon Dan Tehan MP
The 2018 Federal Budget funded a $15 million business engagement package with a suite of measures to support Australia’s commercial interests. For the first time, the suite of measures announced included development of a strategy to increase the competitiveness of Australia’s services industries, with a view to enhancing Australia’s services export performance. The Department of Foreign Affairs and Trade (DFAT) and the Australian Trade and Investment Commission (Austrade) set about a process of intense services industry stakeholder engagement and consultation, designed to address the impediments to services business, both at home and off-shore.

DFAT had earlier initiated a comprehensive Organisation for Economic Co-operation and Development (OECD) Study on competitiveness of Australia’s services sector, Australian Services Trade in the Global Economy, the final version of which was also published in September 2018.

The OECD Study highlighted the importance of coordinated domestic policy action in addition to international trade diplomacy. It prioritised commercial diplomacy efforts to promote behind-the-border regulatory reforms in Australia’s top services markets. It drew attention to the benefits of an ambitious trade policy agenda that spanned beyond the bilateral to include plurilateral and multilateral processes, which could contribute to rules-based certainty and predictability in global trade in services. The policy and regulatory reforms recommended by the OECD reinforced two decades of domestic business advocacy on the part of the Australian Services Roundtable (ASR) and helped build momentum towards a whole-of-government strategic response which has been two years in the making.

Industry stakeholder working groups were formed to bring business insight and experience to prioritise the issues, the sectors and the market niches which need to be addressed. It is worth summarising some key industry messages:

- Facilitating cross-border access for domestic and international talent has always ranked high on services industry lists of policy priorities – and it still does.

- Facilitating inward and outward direct investment has always been fundamental to Australia’s services presence offshore – and it still is.

- With cross-border traffic in data surpassing total flows in world trade, but the international market fragmenting due to regulatory heterogeneity, facilitating access to data has risen over the recent period to top of the priority list, including for Small and Medium Sized Enterprises (SMEs).

- To ensure they are best-practice design, domestic regulatory settings must take the international context and the trade impact into account. Australia does not have a single national market in services; regulatory disconnects across the Australian federation risk compromising our export competitiveness in services.

- Export promotion branding that attracts international visitors to Australian shores, whether tourists, students or patients, has always been important – but in 2020 the global policy response to COVID-19 has brought the movement of people to a halt, crippling the tourism and education sectors. Never has it been clearer that the nation brand must shift gears significantly to encompass promotion of Australian services firms’ creativity, innovation and solution-orientation.
It has been two years in the making, but the outcome of this intense process of industry engagement is a vital one. The *Services Exports Action Plan* is Australia’s first coordinated national action agenda to boost services export performance. It signals official recognition that Australia is a services economy and that all Australian industries are dependent on knowledge-intensive services inputs for their own competitiveness. It delivers services industry commitment to ongoing joint efforts with government to bring the recommended action agenda to fruition. In Australia, as in all parts of the world, the policy response to the health pandemic of 2020 has intensified the uptake and application of digital technologies and the shift to online commercial transactions in digitised services.

It is a short step from online orders, payments and delivery to online cross-border orders, payments and delivery of digitised services. With the right global business environment, including interoperable regulatory regimes that are fit for the digital age, it is a very short step for Australian firms from “born digital” to “born global”. The export opportunity is evident.

The World Trade Organization predicts that trade in services can lead the recovery from the pandemic-generated global economic downturn. The time to focus on achieving Australia’s services export potential is now.

The Australian Services Roundtable applauds DFAT’s strong leadership in initiating the OECD study of the Australian services sector and engaging intensively with industry stakeholders to take this historic step forward, ushering us into the services era.

*James Angus Bond*
President
Australian Services Roundtable
## Objectives

### Outcome 1

**1.1** Ease of movement of people, capital, services and data across borders

**1.2** Global best-practice standards and regulations adopted in key markets

18 Industry Recommendations
- 13 Governments Actions
- 5 Industry Actions
- 4 Joint Actions

### Outcome 2

**2.1** Continuing to advance a single domestic market for services

**2.2** Regulatory settings and standards that enhance competitiveness

14 Industry Recommendations
- 10 Government Actions
- 3 Industry Actions
- 1 Joint Action

### Outcome 3

**3.1** Domestic workforce meets the needs of industry

**3.2** Ready access to international talent

10 Industry Recommendations
- 8 Government Actions
- 1 Industry Action

### Outcome 4

**4.1** Innovation in services exports and the shift to digital is supported and promoted

**4.2** Export assistance is known to services businesses, accessible and fit for purpose

**4.3** Recognised brand that places Australian services front-of-mind globally

22 Industry Recommendations
- 18 Government Actions
- 2 Industry Actions
- 1 Joint Action

### Outcome 5

**5.1** Services statistics capture the trends, contribution and competitiveness of the sector

**5.2** Export market intelligence is collected and shared

**5.3** Businesses are aware of and use free trade agreement outcomes

8 Industry Recommendations
- 9 Government Actions
- 1 Industry Action
- 3 Joint Actions

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**Industry Recommendations** 72

**Governments Actions** 81

**Collaboration**
- Across governments and with the services sector

**Accountability**
- For actions by monitoring and updating progress

**Impact**
- By prioritising actions that make the biggest difference

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**Towards an internationally competitive services sector that boosts Australian exports**

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**A Government and Industry Strategy to Boost Services Exports**

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**WWW.SERVICES-EXPORTS.GOV.AU**
COVID-19: IMPACT, CHALLENGES AND OPPORTUNITIES

IMPACT OF COVID-19 ON THE AUSTRALIAN ECONOMY AND OUR SERVICES SECTOR

The COVID-19 pandemic has had a serious impact on economic activity across the globe. For the first time since World War II, both advanced and emerging economies have gone into recession in what is the worst global downturn since the Great Depression.

Australia has experienced its first recession in almost three decades. Nevertheless, the economic outlook for Australia has been comparatively positive viewed against the international context, reflecting the milder virus outbreak and the role of macroeconomic policy support, including JobKeeper, in limiting the economic shock.

For Australia’s services exporters, the impact of COVID-19 has been significant. For example, services exports for the June quarter in 2020 were 26.8 per cent lower than the June quarter in 2019.

Restrictions on people movements have had a profound impact on our two leading services exports: international education and tourism. The tourism industry alone was estimated as suffering revenue losses of $10 billion per month over the initial six to eight months of the pandemic. At the end of 2020, social distancing measures and employment reductions had shut down the film and TV industry and left the music sector reeling.

While COVID-19 has the potential to inflict long-term damage to the services sector, it has also served to create opportunities for those sub-sectors able to move their work to digital platforms and build resilience into supply chains. There has been a concerted and possibly lasting shift to digital processes across the services sector, including from telemedicine and working from home to a shift to paperless processes.

The impact of COVID-19 on our economy and businesses will require new ways of working. Supporting Australian businesses during this difficult transition is a top priority for the Government.

There are many elements covered in this Action Plan that identify the Government’s actions that are focused on ensuring that Australian services businesses are best placed re-engage internationally coming out of COVID-19.
CHARACTERISTICS OF AUSTRALIAN SERVICES EXPORTERS

Services industries conduct international business differently from merchandise exporters. Rather than producing and shipping a physical product from the place of manufacture to the customer, exporting services involves delivering solutions to clients’ problems.

As categorised by the General Agreement on Trade in Services (GATS), the delivery of services typically fall into four modes of supply (see page 12 and 13). Services exporters may also need, or may be required by the regulatory environment in the foreign market, to set up a commercial presence offshore and/or to work in collaboration with a local affiliate in the foreign market.

Across the four modes of delivery, services exporters have much in common:

- Services exporters tend to have international business clients rather than specific geographic markets, and clients often take them into different geographic destinations on a one-off basis.

- Client needs are not static. Building a services export reputation is about building international relationships, nurturing a culture of customer focus and client confidence, and developing aptitudes to recognise emerging opportunities and respond rapidly with new, innovative solutions offerings.

- The intangibility of services requires that mutual trust must be built, generally through a long-term relationship between buyers and sellers. This is because services exports cannot be examined on the spot for quality and the provision of fit-for-purpose services often requires an in-depth understanding of the clients’ business (culture, history, structure, risk appetite, etc.).

- Services exports tend to be project-based. Every client has different specific needs and each export project tends to require a different services offering. This means services firms can rarely find additional export markets without innovating — rather than promoting an existing ‘product’ they need to promote their capacity to diagnose client needs and create individual services offerings for new international clients.

- Each export project is likely to require a slightly different implementing team of talent and ideas, so services firms often need to move people around quickly, including across borders.
FOUR MODES OF SERVICE DELIVERY

MODE I
Cross-border supply
Supplier provides services from one country to another, but only the service crosses the border and neither the supplier nor the consumer moves.

MODE II
Consumption abroad
Supplier provides services to customers who cross the border to consume them. Only the consumer moves.

MODE III
Commercial presence
Service supplier sets up operations in another country to provide services there. Only the supplier moves and establishes an on-the-ground presence in the consumers market as a foreign affiliate.

MODE IV
Movement of natural persons
Services supplier move temporarily from one country to another to deliver services there.

The service is delivered from Australia, via the Internet, to a customer overseas (e.g. legal advice provided via telephone).

The service is delivered in Australia, in person, to a customer who has travelled here (e.g. tourists and students travelling to Australia to consume services).

The service is delivered through an affiliate set up overseas (e.g. aged care services provided through a branch office overseas).

The service supplier travels overseas in person to deliver the service (e.g. an architect temporarily travelling to another country to provide design services).
NEW INSIGHTS – SERVICES SECTOR’S INTERNATIONAL PRESENCE AND CONTRIBUTION

On 10 September 2020, the Australian Bureau of Statistics (ABS) released the new Australian Outward Foreign Affiliates Trade 2018–19 data. This new product, jointly commissioned by DFAT and Austrade, is the first time since 2002–03 that the ABS has comprehensively measured the economic activity of Australian majority-owned foreign affiliates (i.e. subsidiaries, branches and joint ventures where Australian ownership is at least 50 per cent).

The new data provides key economic facts on Australia’s 5,176 majority-owned foreign affiliates. In 2018–19 these entities employed 412,000 people, added $160 billion in value to their host economies and posted sales of goods and services valued at $213 billion – equivalent to 45 per cent of Australia’s exports. They also returned $15 billion in profits back to Australia in that year.

Australia’s total provision of services to the world was valued at $187.2 billion in 2018–19, comprising $97.4 billion captured in balance of payments statistics as services exports from Australia (52 per cent share) and $89.8 billion in foreign affiliate sales that are not captured in balance of payments measures of Australian exports (48 per cent share).

This new data highlights the importance of foreign affiliates in the delivery of particular Australian services, especially in financial and insurance, construction, engineering and other technical and health services.

Unlike goods trade, it is often necessary for a company to set up a commercial presence in the host economy to provide the service – for example to provide a health service such as aged care. As a percentage of international service delivery in 2018–19 Australian foreign affiliates provided:

- over 99 per cent of health services: $6.4 billion compared to just $34 million in exports identified in the annual balance-of-payments figures as direct exports from Australia
- over 90 per cent of mining services: $3.2 billion compared to $218 million in direct exports
- 92 per cent in construction services: $11 billion compared $970 million in direct exports; and
- four-fifths (81 per cent) of financial services: $20.7 billion compared to $5.0 billion in direct exports.

Share of services sales by Australia’s foreign affiliates, 2018-19 (a)

Based on ABS catalogue 5495.0. (a) Total provision is the sum of sales of affiliates plus exports
Three key features of their success in developing business in global markets are:

- placing a strong priority on building and maintaining strong contacts and networks
- maintaining and delivering on high quality, unique and innovative service offers (considered one of the competitive advantages for Australian businesses operating globally); and
- having a shared cultural background and language skills.

The business acumen, competitiveness and innovation of Australian ‘Born Global’ service exporters are key factors that drive these businesses toward international markets. Some 83 per cent of ‘Born Global’ businesses find their first exporting experience as highly or moderately successful.

The success of ‘Born Global’ services exporters is focused around three common themes:

- developing in-market networks and strong competitiveness
- saving costs through scalable services and remote delivery; and
- global facing industries, limited regulatory barriers and operations in low risk markets.

These findings are from research commissioned by DFAT and undertaken between March and July 2020. The research sought to identify the experiences of born global services exporters, as well as barriers and factors that enable success in exporting.

‘Born Global’ service exporters share many of the challenges faced by other Australia exporters, such as time zones/distance, exchange rate, administration/red tape, and taxes. However, due to the characteristics of ‘Born Global’ business leaders, and as exporting was so intrinsic to the business, there was greater preparedness and capability to plan for and overcome them.

Industries in which ‘Born Global’ businesses tend to have strongest representation (tech, creative services and health services in particular) are by their nature, global facing, wherein thought-leadership, marketing and transacting predominantly takes place in a global context, with specific geographic location rarely a consideration.
WHY A SERVICES EXPORTS ACTION PLAN MATTERS

Services exports make up around 20 per cent of Australia’s total exports. While there is an appreciable proportion of services value-add embedded in goods exports, there is room to boost further services exports as a greater proportion of our trade. This presents an opportunity for Australian business to capitalise on untapped export potential and for the government to help more services firms succeed in overseas markets.

The world is moving toward knowledge-driven economies, relying on digital and technology-based services and automation with countries and companies seeking innovative services solutions. Services and technology inputs are increasingly embedded across all export sectors and are critical to underpinning growth across the whole economy. Cross-cutting technologies in artificial intelligence, blockchain and cybersecurity offer opportunities to add value across all sectors of the economy.

Issues affecting the international competitiveness of services exporters can be opaque, complex and often involve regulatory and other barriers in both domestic and overseas markets. Therefore, a strategic partnership between industry and government is crucial in advancing the international competitiveness of Australian services and helping more services firms succeed overseas.

The Services Exports Action Plan provides that government-industry meeting point. This collaborative Action Plan is focused on boosting services exports in the longer-term and will also play an important role in Australia’s recovery from COVID-19. In addition, it will have a positive impact on the health and economic recovery of our trading partners.

A national strategic approach to services exports will assist and empower Australia’s businesses, leverage our comparative advantages and make best use of international opportunities. The Action Plan incorporates initiatives that address both the immediate COVID-19-related issues raised by the services sector, and longer-term barriers to services trade. It also provides much sought-after transparency on Government actions and initiatives that support exports and Australian services businesses.

Developing an Action Plan is consistent with the Government’s Economic and Commercial Diplomacy Agenda of promoting an open global economy, securing commercial opportunities, supporting Australia’s commercial interests, and maintaining and strengthening our competitiveness.
DEVELOPMENT OF THE SERVICES EXPORTS ACTION PLAN

The 2017 Foreign Policy White Paper outlined the Government’s interest in boosting the competitiveness of the Australian economy, and specifically to boost services exports beyond education and tourism to increase productivity, jobs and economic growth.

Reflecting this priority, the 2018-19 Budget provided DFAT with $1.5 million over two years to develop an industry-led initiative to address barriers to Australia’s services exports and boost our services competitiveness. It was also timely that in September 2018 the OECD released its “Australian Services Trade in the Global Economy” report highlighting the importance of an industry government coordinated approach to domestic policy action in advancing the international competitiveness of Australia’s services exports.

In November 2018, at a high-level industry roundtable, Senator the Hon Simon Birmingham, Minister for Trade, Tourism and Investment, initiated a partnership between industry, DFAT and Austrade to identify and act on barriers holding back Australia’s services firms from exporting. Participants agreed to establish Working Groups across specific services subsectors to prepare proposals to feed into an Action Plan.

In mid-2019, working groups on professional, financial, e-commerce and information and communications technology (ICT) industry sectors provided 44 recommendations for both government and industry to consider. These recommendations sought to make progress across three key pillars:

1. Address domestic regulatory complexity
2. Make progress on barriers overseas; and
3. Support services firms as they internationalise.

The Government’s response, together with industry recommendations, was launched by the Minister for Trade, Tourism and Investment in November 2019 and formed the initial phase of the Services Exports Action Plan.

Commencing in late 2019 and through the first half of 2020, DFAT and Austrade continued consultations through further working groups across the health, creative, financial technology (FinTech) and mining equipment, technology and services (METS) industry sectors.

In addition, in April 2020, separate consultations with industry stakeholders who participated in all working groups since 2019 were held to identify challenges and opportunities presented by the pandemic.

These post November 2019 consultations, including the COVID-19 challenges and opportunities discussions, resulted in a further 28 recommendations, bringing the total to 72 recommendations for government and industry to consider. In total, 64 industry representatives contributed throughout the consultations.

DFAT and Austrade worked with other parts of Government and industry to formulate the ‘actions’ and identify progress on actions to date in this report. Those actions include both work already underway as well as new and planned initiatives that are aimed at achieving the five broad outcomes of this Action Plan that encompass the 72 industry recommendations.

The Government has Agreed to, Agreed-in-principle or Noted 64 industry recommendations and Not Agreed to 8. A matrix of all industry recommendations, Government response, and actions being progressed, grouped by pillar as described in the interim report, as provided in Annex 2.

DFAT and Austrade look forward to continuing a strong partnership with industry to ensure the cumulative insights and progress of Australian business continue to feed into a ‘live’ Services Exports Action Plan, which is industry led, and supported by Government. The Action Plan will be updated on an annual basis through publications on a dedicated Services Exports Action Plan website.
DEVELOPMENT OF THE SERVICES EXPORT ACTION PLAN

THE JOURNEY SO FAR

OCTOBER 2018
Publication of OECD Report on Australian services sector

NOVEMBER 2018
Services Roundtable, Parliament House

NOVEMBER 2019
Services Roundtable & launch of interim report

SEPT- OCT 2019
Consultation on recommendations with government agencies

AUGUST 2019
Industry recommendations to Minister for Trade, Tourism and Investment

FEB – APR 2019
Working Group meetings

FEB – MAY 2020
Working Group meetings

JULY 2020
Industry recommendations to Minister for Trade, Tourism and Investment

AUG – OCT 2020
Consultation on actions with government

APRIL 2021
Launch of the final action plan

OCTOBER 2018
Publication of OECD Report on Australian services sector

NOVEMBER 2018
Services Roundtable, Parliament House

NOVEMBER 2019
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JULY 2020
Industry recommendations to Minister for Trade, Tourism and Investment

AUG – OCT 2020
Consultation on actions with government

APRIL 2021
Launch of the final action plan
HOW TO READ
THE SERVICES EXPORTS
ACTION PLAN

The Services Exports Action Plan is an outcomes-focused plan that outlines actions the Government and industry will take to boost Australian services exports.

The plan takes the 72 sector-specific industry recommendations and organises them under five macro-level outcomes that reflect the broader interests of Australia’s services sector:

**OUTCOME 1**
Free and open international trade in services

**OUTCOME 2**
Best-practice systems and rules across Australia

**OUTCOME 3**
World-class skills and talent

**OUTCOME 4**
Cutting-edge and internationalised services in Australia

**OUTCOME 5**
Information-driven policies and business strategies

Within each outcome, policy objectives guide specific actions for the Government and industry to implement.

Where the Government has Agreed, Agreed-in-principle or Noted industry’s recommendations, the corresponding numbers of the recommendation/s are annotated alongside the actions.

For example, in the case of recommendation 1.1A, the supporting industry recommendations are 9C and 9D, with the full text of the corresponding recommendations provided within the chapter and in the Annex.

**1.1A**
Pursue high-quality digital trade liberalisation and facilitation rules through free trade agreements and participation in the WTO, OECD, APEC and G20.

*Department of Foreign Affairs and Trade | Industry recommendations 9C and 9D*

Progress to date against the actions is also reported in the chapter and cross-referenced using the action numbering.

For example:

The *Australia-Singapore Digital Economy Agreement* sets new global benchmarks for trade rules and a range of cooperation initiatives. Key outcomes included commitments on data flows, data localisation, electronic authentication, electronic signature and treatment of source code. It also established a framework for collaboration between FinTech and RegTech (regulatory technology) enterprises and industry bodies to explore business opportunities and develop standards. *(1.1A)*

As a living document, the Action Plan will be reviewed regularly, and progress updates published online.
OUTCOME 1
FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

OBJECTIVE 1.1
Ease of movement of people, capital, services and data across borders

OBJECTIVE 1.2
Global best-practice standards and regulations adopted in key markets
OUTCOME 1: OVERVIEW

Australia’s efforts to create new opportunities for services exporters are underpinned by international rules, including those of the World Trade Organization (WTO). Australia’s expanding network of free trade agreements deliver additional diverse, substantial and preferential export opportunities for services suppliers. With four new agreements entering into force in 2020, Australia has fifteen in-force free trade agreements with twenty-six partners. Our free trade agreement network will deliver even more opportunities as additional agreements are negotiated and enter into force in the future.

However, even with these agreements in place, services exporters often need to meet additional business requirements under local rules and regulations when providing services overseas compared to Australia.

These rules and regulations are important. They are designed to maintain standards that ensure consumers, the public and the environment are protected. However, they can also create unintentional barriers for services providers. The cost and time spent to meet them can be overly burdensome for exporters who have already met similar requirements in Australia, making their business models impractical and offerings uncompetitive.

The Australian Government seeks to address these barriers by taking a multi-pronged approach to promoting an open global economy through:

- the WTO at the multilateral level
- mechanisms under our regional and bilateral free trade agreements; and
- ‘commercial diplomacy’ agenda work bilaterally in key markets.

We also actively address these issues in international economic forums such as the Asia-Pacific Economic Cooperation (APEC), the Group of Twenty (G20) and the Organisation for Economic Co-operation and Development (OECD).

Through these activities, we seek further market openings overseas for services suppliers and the mutual recognition of business requirements between Australia and key trading partners. We also promote the adoption of international standards and seek interoperability between Australian and foreign rules and regulations where it makes sense to do so.
OBJECTIVE 1.1
EASE OF MOVEMENT OF PEOPLE, CAPITAL, SERVICES AND DATA ACROSS BORDERS

The Government and industry agree that the ease of movement of people, capital, services and data with key trading partners is a priority for our trade agenda.

Australia’s services industry emphasised that many services exports involve the movement of people across national borders to undertake work, in person, in foreign markets. Barriers to the temporary movement of people is a key constraint for services exporters. In addition, regulatory and technical barriers to the provision of advisory services using information technology platforms is also a constraint. In particular, supplying professional services to different markets can be unnecessarily complicated by local requirements, which do not recognise Australian professional licenses, registration or membership.

In overseas markets, varied local financial regulations add considerable complexity for financial services exporters. Industry stressed it is important for Australia to continue to work closely with foreign regulators, including through capacity building initiatives, to ensure regulations are not unnecessarily burdensome and meet trade agreement commitments.

Technology is changing the nature of trade and COVID-19 has accelerated these shifts. In particular, digital technologies and cross-border data flows are playing an increasingly important role as key enablers of Australian services exports.

Industry highlighted that restrictions to cross-border data flows add to operational costs and can severely affect business models. Various countries require data to be stored, and in some cases processed, locally. This limits opportunities and can pose data security issues for exporters. It also limits competition and choice by consumers.

The expansion of global digital platforms has changed the way people access copyright material like music, video games and film. Industry representatives noted Australia is highly regarded for copyright administration with multinational publishers choosing Australia as a hub to deliver services to Asia. Closer alignment between Australia’s copyright framework and regulation in Asia would further boost our competitiveness, create opportunities for publishers and improve safeguards for Australian content producers.

The Government actively supports ambitious regional and global benchmarks on digital trade. We understand the importance of enabling service suppliers to transfer information across borders in their business activities and to choose where information is stored. Our aim is to balance support for data innovation with personal data protection to realise the benefits of the digitalisation of the global economy.

To achieve this, Australia is chairing e-commerce negotiations with 85 members at the WTO. Our free trade negotiations with the European Union and the United Kingdom are pursuing the highest quality commitments on digital trade.

We are establishing cooperative bilateral arrangements that enable closer and stronger collaboration between governments, financial regulators and industry, particularly in FinTech.

The Government promotes the cross-border trade of financial services and products in our region. We lead capacity-building projects and are supporting the development of an Asia region funds management industry through the Asia Region Funds Passport. We support work by the Australian Securities and Investments Commission (ASIC) and the Australian Prudential Regulation Authority (APRA) to influence standards and enter into regulatory arrangements that facilitate the cross-border provision of financial services.

We work with Australia’s professional bodies to help professionals meet local requirements in foreign countries through mutual recognition arrangements. We use our free trade agreements to secure market access and encourage export markets to adopt pathways that give our professionals the right to practise for a limited duration or in a limited capacity with no, or few, additional requirements.

We are active in promoting effective and balanced protection and enforcement of intellectual property rights that encourages innovation and creativity, facilitate trade and investment, and strike a balance between the legitimate interests of rights holders, users, and the public interest. We are advancing these issues through free trade agreement negotiations and multilateral and regional forums and organisations such as the World Intellectual Property Organization (WIPO).
The Government will:

1.1A
Pursue high-quality digital trade liberalisation and facilitation rules through free trade agreements and participation in the WTO, OECD, APEC and G20.

Department of Foreign Affairs and Trade | Industry recommendations 3C and 9D

1.1B
Pursue effective and balanced protection and enforcement of intellectual property rights in our region that promotes Australia’s intellectual property administration, regulations and enforcement procedures abroad, including in free trade agreements and the World Intellectual Property Organization.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendation 11E

1.1C
Continue to promote and support regulatory cooperation frameworks for trade in financial services, including through free tree trade agreements and multilateral fora.

Department of Foreign Affairs and Trade | Industry recommendation 12F

1.1D
Support ASIC and APRA in promoting Australian and international standards for financial regulation through the International Organisation of Securities Commissions, Basel Committee on Banking Supervision, Financial Stability Board, and arrangements with key markets, including China, Japan and the Republic of Korea.

Department of the Treasury | Industry recommendations 12A and 12B

1.1E
Lead and contribute to financial regulation capacity building in the Indo-Pacific, including sharing of best-practice in digital delivery and regulation of financial services.

Department of the Treasury | Industry recommendation 12E

1.1F
Finalise the development of the Corporate Collective Investment Vehicles Legislation.

Department of the Treasury | Industry recommendation 12C

1.1G
Work within the Asia Region Funds Passport Joint Committee to encourage use of the passport.

Department of the Treasury | Industry recommendation 12D

1.1H
Continue to consider whether Australia’s Double Tax Agreements appropriately support key bilateral trade relationships whilst maintaining tax system integrity.

Department of the Treasury | Industry recommendation 6C

1.1I
Increase the two-way mobility of professionals to and from key markets through continuing the inclusion of practical mechanisms in free trade agreements for professional bodies/ regulators to collaborate and eliminate ‘behind-the-border’ procedural and other barriers.

Department of Foreign Affairs and Trade | Industry recommendations 5.1D
OUTCOME 1: FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

OBJECTIVE 1.1

**Industry will:**

1.1J

Continue and intensify engagement in commercial diplomacy efforts offshore, to build mutual recognition of professional qualifications, greater alignment of financial regulations and enhanced interoperability of domestic regulations and standards, including digital standards.

_Australian Services Roundtable | Industry recommendations 5.1D and 9C_

1.1K

Work with rights owners and affiliated copyright collecting societies in the region to facilitate cross-border licensing of creative content.

_Australasian Performing Right Association and Australasian Mechanical Copyright Owners Society (APRA AMCOS) | Industry recommendation 11E_

**The Government and Industry will jointly:**

1.1L

Increase the international mobility of professionals with key export markets by establishing mutual recognition arrangements of professional licensing and registration, and pathways for foreign professionals to practice for a limited time or in a limited capacity.

_Department of Foreign Affairs and Trade | Industry recommendations 5.1D and 10A_
OUTCOME 1: FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

OBJECTIVE 1.1

INDUSTRY RECOMMENDATIONS

5.1D
Continue to pursue the recognition of Australian qualifications and professional recognition overseas, and in-demand foreign qualifications in Australia.
Agreed

6C
Expand the number of Double Tax Agreements, including with major regional financial service hubs, and to support full use of Australia’s networks of Free Trade Agreements.
Noted

9C
Encourage the development and harmonisation of high-quality digital standards with key trading partners, including through FTAs, in multilateral fora, and through regulator-to-regulator cooperation. This could include facilitating the development of international digital standards.
Agreed-in-principle

9D
When negotiating trade agreements, the approach taken by Hong Kong and Australia in the recently negotiated Australia-Hong Kong FTA should serve as a model of how to lock in free cross-border data flows for the finance sector without mandatory local data storage requirements.
Agreed-in-principle

10A
Relevant Australian regulators and industry associations should work with counterparts in key markets to develop a special category of professional recognition to allow international professionals to practice aspects of their profession in the host-country.
Agreed-in-principle

11E
The Australian Government and industry to promote Australia’s copyright administration, regulations and enforcement procedures abroad, and pursue greater regional harmonisation of effective copyright law and enforcement in digital content-sharing platforms.
Agreed-in-principle

12A
Led by Treasury and ASIC, seek to negotiate bilateral regulatory cooperation arrangements with China, Japan and the Republic of Korea, to facilitate and implement agreed FTA market access commitments in the cross-border provision of portfolio administration and insurance services.
Agreed-in-principle
12B: Seek to negotiate bilateral cooperation agreements between ASIC, APRA and the Australian Tax Office (ATO) and their counterparts in China, Japan and the Republic of Korea to allow a wider range of wholesale (business-to-business) activities.

Agreed-in-principle

12C: Prioritise passage of the Corporate Collective Investment Vehicle Bill as a recognised investment vehicle that can be marketed under the Asia Region Funds Passport.

Agreed-in-principle

12D: Use APEC forums to seek an expansion in the membership of the Asia Region Funds Passport and actively explore opportunities for interoperability with the similar European Union (UCITS) and ASEAN (CIS) passport schemes.

Agreed-in-principle

12E: Increase, expand and accelerate capacity-building projects which focus on financial services regulation in the APEC region.

Agreed-in-principle

12F: Government continue to address international regulatory barriers to trade in financial services via multilateral and bilateral mechanisms including trade agreements and capacity building.

Agreed
OUTCOME 1: FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

PROGRESS TO DATE

The Australia-Singapore Digital Economy Agreement sets new global benchmarks for trade rules and a range of cooperation initiatives. Key outcomes included commitments on data flows, data localisation, electronic authentication, electronic signature and treatment of source code. It also established a framework for collaboration between FinTech and RegTech (regulatory technology) enterprises and industry bodies to explore business opportunities and develop standards. (1.1A, 1.1C)

The Indonesia-Australia Comprehensive Economic Partnership Trade Agreement represented a significant step forward in agreeing up-to-date commitments on digital trade with Indonesia. Key outcomes include commitments on data flows, data localisation, treatment of source code and transparency in the regulation of digital trade. (1.1A)

Australia has contributed $1 million to support APEC initiatives on digital trade. This includes an APEC project on improving the measurement, regulation and inclusion of the digital economy, the APEC Digital Symposium, and contributing to the APEC Digital Innovation Sub-Fund (Asia Pacific). (1.1A)

The UK-Australia FinTech Bridge deepens collaboration between governments, regulators, and industry bodies and supports improved access for Australian FinTech firms to the UK market. (1.1C, 1.1D)

ASIC is contributing to the APEC Financial Regulator Training initiative, and delivers capacity building within their available resources. Australia is also funding an APEC project on best-practice regulation and use of FinTech and RegTech to support standards for accreditation, licensing and regulatory frameworks for financial services. (1.1E)

Australian collective investment schemes can now be exported and the schemes of other member countries can be imported through the Asia Region Funds Passport. Australia is working with other members to increase awareness and encourage use of the Passport by industry. (1.1F)

The Australian Services Roundtable (ASR) and its members engage in commercial diplomacy efforts offshore to build mutual recognition of professional qualifications, greater alignment of financial regulations and enhanced interoperability of domestic regulations and standards, including digital standards. These efforts include letters and submissions to other Governments and global media statements often jointly with other members of the Global Services Coalition and the Asia Pacific Services Coalition.

During 2020, ASR was involved in organising and moderating two high profile webinar panel events in the Digital Trade Stream at Geneva Trade Week and in preparation of a co-authored THINK 20 Policy Brief to deliver policy recommendations for the G20 on Digital Technologies, Services and the 4th Industrial Revolution. (1.1J)

Australia continues to include professional services specific chapters or annexes in free trade agreements to provide an ongoing facilitative mechanism for regulators and industry associations to work with counterparts to:

- develop temporary, limited or project-specific licensing or registration regime for professionals; and
- negotiate and implement mutual recognition agreements. (1.1H, 1.1I)

The Australasian Performing Right Association and Australasian Mechanical Copyright Owners Society (APRA AMCOS) are working with the International Confederation of Societies of Authors and Composers (CISAC) to strengthen regional harmonisation of digital rights and ensure creative services benefit from digital platforms. It is also working with the World Intellectual Property Organization (WIPO) to ensure copyright issues factor in policy reviews of intellectual property laws in the Asia Pacific region and has participated in policy discussions on the development and harmonisation of copyright regulation and administration in various jurisdictions in the region. (1.1K)
Australia has at least 56 mutual recognition agreements of professional qualifications, licensing or registration across 19 countries and seven professions. Of those agreements, 19 were finalised since the establishment of DFAT’s Professional Services and Mutual Recognition Unit in 2016, including in three new markets, representing a 51 per cent increase.

Australia is funding two APEC projects on improving professional mobility. One will map the mutual recognition arrangements that APEC economies have entered. The other will share best-practice and promote the adoption of digital credentialing for professionals.

The Cyber Security National Workforce Growth Program will enhance voluntary professional accreditation of tertiary cyber security courses to ensure they meet contemporary industry needs.
THE AUSTRALIA-SINGAPORE DIGITAL ECONOMY AGREEMENT

To help ensure Australian businesses and consumers can continue to benefit from growing digital trade opportunities, on 6 August 2020, the Minister for Trade, Tourism and Investment, Simon Birmingham, and Singapore’s Minister for Trade and Industry, Chan Chun Sing, digitally signed the Australia-Singapore Digital Economy Agreement (DEA).

The DEA will upgrade the Singapore-Australia Free Trade Agreement (SAFTA) through a new Digital Economy chapter, which will provide modernised rules that will reduce trade barriers. These include:

- preventing unnecessary restrictions on the transfer and location of data
- improving protections for source code
- new commitments on e-invoicing and e-payment frameworks
- enhancing business and consumer trust in digital trade
- cooperating in creating a safe online environment to protect citizens
- a new commitment to improve the accessibility of publicly available, anonymised government information; and
- enhancing transparency between Australia and Singapore to make available measures related to the digital economy.

As part of the DEA, Australia and Singapore have signed a series of agency-level Memoranda of Understanding on areas including data innovation, artificial intelligence, e-invoicing, e-certification for agricultural exports and imports, trade facilitation, personal data protection, and digital identity.

Building on Australia’s relationship with Singapore as our largest trade and investment partner in ASEAN, this agreement will lead the way internationally in the digital economy.

SOUNDS AUSTRALIA GROWING THE DIGITAL FOOTPRINT OF AUSTRALIAN MUSIC

Music listening is becoming a digital-first experience, with 89 per cent of people using on-demand streaming services like Apple Music and Spotify to listen to music. Editorial playlists, often curated by the music streaming services themselves, are increasingly influencing which songs become global hits. As are podcasts and new social and content sharing applications like TikTok.

Amid these trends, Sounds Australia is developing new strategies to ensure Australian artists are in the global spotlight. In 2018, former triple j Home & Hosed host Dom Alessio joined the Sounds Australia team as Digital Export Producer. Within the year, Sounds Australia became a global curator on Apple Music, reaching listeners in over 110 countries. This raised the profile of Sounds Australia’s suite of playlists and placed them as a voice of authority on the platform, making it easier for Apple Music customers to listen to and discover Australian music.

The worldwide reach of services like Apple Music has expedited the path to international success for artists. The chance for the world to hear Australian voices and stories is greater than ever before. However, digital platforms see almost 40,000 songs released each day and getting noticed amid the vast sea of content is challenging. Financial returns to artists and songwriters are also low until they have the fame and market pull to negotiate higher royalties.

As internet speeds increase, and technologies like virtual, augmented and mixed realities emerge, Australian artists have growing opportunities to be seen by a wider audience and be experienced in a new way. It is therefore imperative that Australian artists and their marketing teams have access to the tools and resources needed to best leverage digital platforms and compete on the global stage. This helps to ensure Australian artists are noticed and the growth and success of Australian music continues.
OBJECTIVE 1.2
GLOBAL BEST-PRACTICE STANDARDS AND REGULATIONS ADOPTED IN KEY MARKETS

The Government and industry agree that promoting international standards, particularly in our region, should form a key part of Australia’s international engagement.

The use of international standards makes it easier for businesses to sell anywhere in the world. Promoting Australia’s standards is also relevant where international standards are not available.

Industry highlighted that international standards play an important role in promoting business and consumer confidence, productivity and efficiency, reducing costs, removing barriers to trade, and driving economic growth. Standards are crucial to many aspects of service delivery.

Industry representatives stressed that Government should actively participate in standard setting processes and support Australian industry to do the same. Australian involvement will improve the chances that our interest and capabilities will be reflected in any relevant international standards.

Active regulator-to-regulator cooperation in our region is also important. When key markets adopt regulatory frameworks that are similar to Australia’s, it creates an easier environment for Australian firms to do business there.

Diplomatic channels are another important avenue for promoting Australian and international best-practice regulations and standards through information sharing and capacity building initiatives. An informal non-government ‘second track’ diplomacy channel will complement formal efforts by government in regional and multilateral forums.

The Government places a priority on stepping up Australia’s role in global standards setting to grow our exports while protecting consumers.

We recognise Standards Australia as Australia’s peak non-government standards development body and support its seat in key international organisations such as the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).

The Government’s Memorandum of Understanding with Standards Australia outlines the importance of industry consultation and involvement in standards development.

The development and application of international standards for new technologies is a particular focus as we seek to maximise the benefits for Australian businesses in the global economy. We have supported Standards Australia in leading international strategic standards projects, including on blockchain, advanced manufacturing, artificial intelligence and cyber security.

We advocate open global standards that support efficient, interoperable and interconnected global telecommunications network through the International Telecommunication Union (ITU). We push for stronger governance and transparency in rulemaking as well as coordination between the ITU and other international standards development organisations to avoid duplication.

The Government continues to undertake strategic engagement and capacity building activities to promote the adoption of good regulatory practices globally. This includes drawing on expert advice and implementation assistance from peak standards and conformance organisations.

We also support business participation in major international forums, such as the APEC Business Advisory Council (ABAC) and the business forum (B20) in the G20.
OUTCOME 1: FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

OBJECTIVE 1.2

ACTIONS

The Government will:

1.2A
Support Australian participation in the development of international standards that could have a direct impact on Australian industry and exporters, including involvement by industry experts.
Department of Industry, Science, Energy and Resources | Industry recommendations 11A and 11B

1.2B
Promote international regulatory cooperation and coherence through Australia’s bilateral exchanges, the Australian free trade agreement agenda, Aid for Trade / economic co-operation activities, as well as engagement in APEC and G20.
Department of Foreign Affairs and Trade | Industry recommendations 11C and 11D

1.2C
Support capacity building projects in the Indo-Pacific to encourage the harmonisation of international standards and the adoption of Australian regulatory approaches.
Department of Industry, Science, Energy and Resources | Industry recommendations 11C, 11D and 11F

1.2D
Advocate open telecommunications standards in international and regional standard setting bodies that support an efficient, interoperable and interconnected global network, including the International Telecommunication Union.
Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendation 11A

Industry will:

1.2E
Develop a list of priority Australian standards and regulations recognised as international best-practice and priority markets in which to promote them.
Industry recommendation 11F

The Government and Industry will jointly:

1.2F
Use Industry Growth Centres to promote best-practice Australian and international standards through the Growth Centres’ international networks.
Department of Industry, Science, Energy and Resources | Industry recommendation 11F

1.2G
Work with Standards Australia to identify Australia’s interests in the development of international standards and opportunities for Australia to engage.
Department of Industry, Science, Energy and Resources | Industry recommendations 11A, 11B and 11F

1.2H
Promote business participation in major international forums to advance our interests in digital trade.
Department of Foreign Affairs and Trade | Industry recommendation 9B
INDUSTRY RECOMMENDATIONS

9B
Convene an informal non-government diplomacy channel to multiply the impact of the business community’s current efforts to support Australia’s global policy interests in digitally-enabled trade.

Agreed-in-principle

11A
Strengthen Australia’s role in the standards development process and ensure sufficient transparency and opportunity for the services sector to engage in the process.

Agreed-in-principle

11B
Ensure sufficient support for Australian business involvement in the international standards setting processes.

Agreed-in-principle

11C
Encourage greater regulator-to-regulator cooperation to promote the adoption of consistent regulatory approaches in our region (ideally, similar to or compatible with Australia’s). This is particularly important in areas of new opportunity.

Agreed-in-principle

11D
The Australian Government should continue to invest in capacity development in our region to help developing countries both adopt international standards and participate in international standards development.

Agreed-in-principle

11F
Government identify and facilitate opportunities to promote the adoption of Australia’s standards and regulations overseas in areas where they are recognised as international best-practice.

Agreed-in-principle
The Australian Government is contributing over $12 million between 2014 and 2021 to support regulatory exchange and cooperation within international organisations. This includes the APEC Economic Diplomacy Fund, which provides grants to Australian government agencies to build linkages with their counterparts from APEC developing economies, assist them to participate in the APEC agenda and support their growth. (1.2A)

The Government will provide $5.9m over three years to boost Australian influence and uptake of international standards in priority areas like emerging and critical technologies, and critical minerals. This includes boosting representation in international bodies and meetings. (1.2A)

In February 2020, the Australian Government released the National Blockchain Roadmap, which highlighted the importance of addressing privacy, security and interoperability of blockchain systems through international standards development. (1.2A)

Standards Australia, supported by a Government investment of $350,000 is playing an instrumental role in progressing global blockchain standardisation. Since September 2016, Standards Australia has chaired the ISO technical committee responsible for blockchain standards (ISO/TC 307). (1.2A, 1.2G)

In March 2020, Standards Australia released the Artificial Intelligence Standards Roadmap: Making Australia’s Voice Heard. The report, commissioned by Government, provides recommendations to help Australia effectively support artificial intelligence and its future across the globe. It also provides a framework for Australia to influence the development of standards for AI internationally. To achieve these goals, the Government has allocated funds in 2020-21 to increase Australian experts’ participation in international AI standards development. Standards Australia is also increasing the membership of the AI standards Mirror Committee in Australia to include participation from more sectors of the economy and society in the development of AI standards. (1.2A, 1.2G)

In June 2020, the Australian Cyber Security Growth Centre (AustCyber) partnered with the NSW Government and Standards Australia to launch a new Cyber Taskforce to Drive Standards. The Australian Government is working with the Cyber Security Best Practice Regulation Taskforce to explore policy options to apply regulation to increase the baseline cyber security of the economy, while realising benefits for Australian industry. (1.2A, 1.2F, 1.2G)

We are engaging in capacity building activities to promote the adoption of good regulatory practices globally. This includes:

- the ASEAN-Australia Digital Trade Standards Cooperation Initiative
- the Cyber Security Regional Standardisation Enhancement Program
- the E-commerce Aid for Trade Fund; and
- wide-ranging engagement and activities under the APEC Sub-Committee on Standards and Conformance. (1.2B, 1.2C)

Australia helps fund, advocate and advises on the OECD’s Services Trade Restrictiveness Index. The Index helps business understand the requirements traders must comply with when entering foreign markets. It also helps trade negotiators clarify restrictions that most impede trade, and policymakers to scope reform options and compare them with global best-practice. (1.2B)

Australia is working with the other members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) under the Technical Barriers to Trade Committee. Initiatives include a forthcoming information exchange on standards, conformance, transparency and regulation across the membership – aimed at establishing a baseline understanding of technical capacity, approaches and future priority areas. (1.2B)

In 2019-2020, Australia contributed nearly $200,000 to develop and test regional occupational standards for five occupations in the travel, tourism and hospitality industry across five APEC economies. (1.2C)
The Government is working with Australia’s quality infrastructure organisations to contribute to the Pacific Islands Forum Secretariat-coordinated ‘Pacific Quality Infrastructure Initiative’. Now in its second phase, this aims to support technical capacity building efforts in the region. (1.2C)

Australia is participating in the Asia-Pacific Telecommunity regional preparatory meetings for the ITU Standardization Sector (ITU-T) peak meeting at the World Telecommunication Standardization Assembly (WTSA), currently scheduled for February 2021. Australia is promoting good governance and accountability of the ITU-T and advocating for the development of standards that support open, secure and interoperable telecommunications networks. (1.2D)

The Assembly will define the work program for the ITU-T and leadership team for the next four years and agree WTSA Resolutions that will shape the future direction of the ITU-T and its role in developing telecommunication/ICT standards. (1.2D)

The Government works closely with Australian business leaders in regional and multilateral business groups, such as the APEC Business Advisory Council (ABAC) and the business forum (B20) in the G20, which helps to expand Australia’s influence and ensure our policy approaches in these forums work to maximise economic benefit for Australia. Australia hosted the first ABAC meeting of 2020 in Sydney, helping to shape ABAC’s agenda. (1.2H)
The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum that aims to create greater prosperity for the people of the region by promoting balanced, inclusive, sustainable, innovative and secure growth and by accelerating regional economic integration.

Australia is actively engaged in APEC. We lead and support initiatives that improve data and transparency, promote best-practice standards and regulation, and build capacity in the region.

Key initiatives that can benefit Australian services exporters include:

- A contribution of A$2 million to promote services competitiveness among APEC economies
- Championing of a APEC Digital Economy Steering Group to support digital governance among APEC economies
- Establishment of an APEC Digital Innovation Sub-fund – with a co-contribution of $550,000; and
- Chairing the services working group of APEC, including supporting APEC’s services liberalisation agenda and APEC work on services trade restrictiveness.

During COVID-19, Australia is taking forward seven COVID-19 focused capacity building projects in APEC. These projects will strengthen supply chain resilience, cross-border trade in services, support for women entrepreneurs and women-led businesses, and transparency through WTO notification of emergency measures.
OBJECTIVE 2.1
Continuing to advance a single domestic market for services

OBJECTIVE 2.2
Regulatory settings and standards that enhance competitiveness
Australia has a world-leading regulatory environment for business. The World Bank ranks Australia 14th in the world for the ease of doing business. We are ranked 8th for the ease of starting a new business and 4th for ease of accessing credit.

That said, Australia is continually seeking ways to do better. Delivering a better regulatory environment will help business lower their costs, save time and improve their competitiveness, while maintaining safeguards to protect the environment, the public and consumers.

Continuing to advance a single domestic market for services across Australian states and territories will increase economic efficiency nationally. The ability for service providers to deliver services across state lines with little or no additional requirements would make it easier for them to reach the national scale from which to expand internationally.

COVID-19 has highlighted and accelerated the importance of the digital economy in Australia and globally. For Australia to become a leading and competitive digital economy, it is critical we have high-quality regulatory practices and standards that are fit for purpose and allow for cross-border mobility of digitalised services and associated data, with appropriate protections.
OBJECTIVE 2.1
CONTINUING TO ADVANCE A SINGLE DOMESTIC MARKET FOR SERVICES

The Government and industry agree on the importance of seamless movement of people and services across Australian state and territory borders.

The regulation of many services in Australia sits with state and territory governments. As such, there are different approaches taken by states and territories to maintain standards and protect consumers, the environment and the public.

Industry noted it was important for governments to recognise that the efficiency of Australia’s domestic business environment has a strong bearing on the international competitiveness of services exporters. Regulatory differences across state and territory lines creates impediments at home that hamper the capacity for some services firms to expand overseas.

For professional services, operating nationally often provides the scale necessary for firms to commit to international expansion. However, professional registration and licencing requirements and other business operational requirements that vary between Australian jurisdictions cause inconsistencies and add compliance costs for firms seeking to reach a scale that can sustain export capability.

A seamless business environment across Australia – with more regulatory coherence – would help provide a ‘springboard’ for professional services exporters to grow more quickly in their home market, and then be in a better position to grow beyond it.

Industry noted that consistency in the regulation of professions across Australia would also help in international trade negotiations – being able to present a single set of requirements would place Australia in a stronger position to seek the same in overseas markets at the negotiating table.

Similarly, a common set of rules across Australia provides for a stronger platform to promote Australian standards internationally, increasing the chance of these standards being adopted overseas. This is particularly the case in areas Australia leads globally, such as in the resources sector.

The Government recognises the need for a more seamless business environment across Australia for professional services corporations and firms. We are committed to improving the design, administration and effectiveness of regulations to ensure they are fit for purpose.

In July 2019, the Prime Minister tasked the Assistant Minister to the Prime Minister, the Hon Ben Morton MP, with revitalising Australia’s regulatory reform and deregulation agenda. This Deregulation Taskforce is examining regulation from the viewpoint of business, identifying regulations and bureaucratic processes that impose the largest costs on the economy, and working on solutions to remove or streamline those barriers.

Mutual recognition legislation adopted by all Australian governments during the 1990s provides Australia with a well-advanced framework on the free movement of professionals between Australian states and territories. While those provisions are now bedded down and largely consistent, there is still opportunity for improvement.

The Government welcomes the opportunity to work with professional peak bodies to explore how to achieve greater coherence nationally, including across the different administrative and governance requirements placed on professional services businesses with a national footprint.

On the resources sector, the Productivity Commission released its final report on Resources Sector Regulation on 10 December 2020. The report highlights best-practice and identifies improvements to ensure Australia remains internationally competitive. The Australian Government will now work with state and territory governments to determine next steps for implementation.
ACTION PLAN

The Government will:

2.1A
Reduce red tape, making it easier for business to invest, create jobs and assist COVID-19 economic recovery through the Deregulation Taskforce.

Department of the Prime Minister and Cabinet | Industry recommendation 2A

2.1B
Pursue national regulatory reform with state and territory governments through the Council on Federal Financial Relations under National Cabinet.

Department of the Prime Minister and Cabinet | Industry recommendations 2A and 3B

2.1C
Modernise business registers so that businesses can quickly view, update and maintain their business registry data in one location.

Department of the Treasury | Industry recommendation 2A

2.1D
Improve occupational mobility in Australia to make it easier for people in licensed occupations to move their skills to where they are needed and enable businesses and consumers to access skilled workers more quickly by working with states and territories and industry.

Department of the Prime Minister and Cabinet | Industry recommendation 3A

2.1E
Improve national regulation of resources informed by recommendations put forward by the Productivity Commission study on Resources Sector Regulation

Department of the Prime Minister and Cabinet | Industry recommendation 3C

Industry will:

2.1F
Improve national consistency between state and territory regulations for professional services to make it easier and cheaper to deliver services nationwide.

Professional services peak bodies | Industry recommendation 3A
OUTCOME 2: BEST-PRACTICE SYSTEMS AND RULES ACROSS AUSTRALIA

OBJECTIVE 2.1

INDUSTRY RECOMMENDATIONS

2A
The Government should develop a program of national regulatory reform to deal with domestic regulatory impediments and inefficiencies.
Agreed-in-principle

3A
The Australian Government should drive national consistency in business requirements for professional services providers in partnership with professional services peak bodies. Consideration should be given to working with one professional services sub-sector first to create a model approach that could then be adopted by other professions.
Agreed

3B
Recognising that there is no one Minister responsible for most professions, the Government should identify a champion to prosecute national consistency in business requirements for professional service providers through National Cabinet.
Agreed-in-principle

3C
The Government should drive a coordinated approach among states and territories to regulation and standards in the resources sector.
Agreed-in-principle
The **Deregulation Taskforce** has focused on making it easier for sole-traders and micro-businesses to employ their first person, getting major projects up and running sooner and reducing the regulatory burden for food manufacturers with an initial focus on exporting. *(2.1A)*

In 2021, the **Deregulation Taskforce** is continuing its work to reduce red tape, make it easier for business to invest and create jobs, and assist COVID-19 economy recovery through its next priority areas:

- **Streamlining regulation for the excise (and excise-equivalent customs duty) regime**, to support new investment in our fuel security and world-leading beverage manufacturing sector;

- **Targeting unnecessarily overlapping or duplicative cross-jurisdictional regulatory burdens**, working with businesses, Commonwealth agencies and the states and territories to identify and prioritise reform;

- **Modernising business communications** to reduce costs incurred by businesses when legislation is not technology neutral, and to better reflect the way Australians want to engage and communicate; and

- **Improving occupational mobility** to make it easier for people in licensed occupations to move where their skills are needed and enable businesses and consumers to access skilled workers more quickly.

This will also improve **consistency in national business requirements**. The Taskforce will look to further opportunities to address issues raised in this Action Plan. *(2.1A, 2.1D)*

Under the **Digital Business Plan** announced during the 2020-21 Federal Budget, the Government is investing $6.9 million to fund two industry-led pilots to demonstrate how blockchain technology can reduce regulatory compliance costs and encourage businesses to take up blockchain technology to boost productivity. The pilots will test how blockchain technology can be used to streamline regulatory processes, reduce fraud and/or reduce costs of regulatory compliance and administration. *(2.1A)*

The Government will undertake a $256.6 million expansion of Australia’s **Digital Identity program** to simplify and reduce costs of interacting with Government and develop legislation to expand the use of Digital Identity to the states and territories and the private sector. This includes face verification capability, finalising integration with myGov and on-boarding additional government services. *(2.1A)*

The Australian Government’s Digital Business Plan includes $11.4 million to establish a **RegTech Commercialisation Initiative** through the Australian Government’s Business Research and Innovation Initiative. RegTech, or regulation technology, can decrease the cost of administering and complying with regulation. The initiative will:

- provide critical early stage funding to innovative SMEs, enabling them to test new technologies that reduce regulatory burden or regulatory compliance; and

- identify regulatory technology solutions that make it easier for businesses to invest and grow, creating more jobs to support our economy. *(2.1A, 4.1G)*

In the 2020-21 Budget, the Government announced a number of **regulatory reforms** to ensure essential safeguards are maintained, while making it easier to do business, including: investing $328.4 million to bust congestion in the regulation of farm exports, making it easier for farmers to get their goods to market and helping rural Australia recover from drought and COVID-19; investing almost $800 million to enable businesses to take advantage of digital technologies to grow their business and create jobs; and investing $28.6 million to support initiatives to modernise Australia’s trade system and streamline border services. *(2.1A)*

The National Cabinet has tasked the **Council on Federal Financial Relations** with progressing targeted Australian Government, State and Territory regulatory reform and deregulation agenda. *(2.1B)*

The Department of the Prime Minister and Cabinet is now the **central coordination body for all of the Government’s deregulation policy**, including the Deregulation Taskforce and the Office of Best Practice Regulation. *(2.1B)*
The Government committed in the 2020-21 Budget a further $419.9 million to enable the full implementation of the Modernising Business Registers (MBR) program, allowing businesses to quickly view, update and maintain their business registry data in one location. (2.1C)

The Productivity Commission released its final report on Resources Sector Regulation in December 2020 following stakeholder consultation. The Australian Government will now work with state and territory governments to determine next steps and develop a coordinated approach as part of a commitment agreed by Resources Ministers under the endorsed Resources Strategic Reform Agenda.

National and State/Territory peak bodies are working together to identify and reduce regulatory and other procedural barriers and develop ‘national’ professions to ease the movement of professionals and delivery of services across Australia. Examples include the Legal Profession Uniform Law Scheme; and the National Engineering Register. (2.1F)
OUTCOME 2: BEST-PRACTICE SYSTEMS AND RULES ACROSS AUSTRALIA

OBJECTIVE 2.2
REGULATORY SETTINGS AND STANDARDS THAT ENHANCE COMPETITIVENESS

The Government and industry agree that addressing competitiveness constraints at home is a priority to boost services exports.

Industry highlighted that domestic policy and regulatory settings have real implications for the competitiveness of Australian services exporters, and for Australia’s reputation as an open economy and a trusted provider of quality services offerings.

However, proposals for domestic policy and regulatory reforms do not always consider the impacts on Australia’s services exporters. Business representatives provided examples of government decisions, relating to security and visa issues for example, which have had negative and unintentional consequences for services exports.

Industry emphasised that more comprehensive consultation is needed to ensure trade and investment issues are fully considered in the policymaking process. Particular effort needs to be made to engage micro, small and medium-sized service providers, which overwhelmingly dominate the services sector.

Digital trade is an increasingly important contributor to the Australian economy and offers significant opportunities for Australian businesses and consumers. Around half of Australian businesses are already engaged in the digital economy and this number will grow further in the future, particularly driven by businesses moving online during COVID-19.

Industry noted the need, as data becomes a key resource, for industry and government to work together to design and advocate new domestic and international governance systems that enable trade while ensuring appropriate consumer protections, such as privacy. For example, Australia can play a leadership role by implementing the voluntary APEC Cross Border Privacy Rules and promoting their adoption in our region.

Industry noted the projected strong growth in e-commerce in services (digitally-purchased and digitally-delivered services) and the benefits for Australian business, including SMEs. However, they identified insufficient understanding, including at the government level, of how Australian firms can and do use e-commerce to expand into export markets. They saw a need to improve policy coordination on e-commerce issues to support this growth.

The establishment of a services industry-led body would help Government and industry better work together on e-commerce for services, including ways to strengthen exports of professional and business services, as well as creative services – film, video games, music and others – on digital platforms. This will help Government agencies and the private sector better understand the drivers that create competitiveness in Australia’s digitally enabled services sector.

The Government is working to drive Australia to become a leading digital economy by 2030. We agree that consultation in the development of e-commerce and digital policies help ensure they are fit for purpose and achieve desired outcomes, including helping Australian businesses compete on a global stage, given the rapid level of change in the digital economy.

We are undertaking a wide range of consultations to better understand how domestic regulations affect businesses. We recognise that more can be done to identify the potential effects on businesses earlier and take these into account when designing business regulation. The Government welcomes the establishment of an industry-led body to engage on e-commerce and digital economy policy issues.

The Office of Best Practice Regulation, which oversees the Government’s Regulation Impact Assessment framework, works with departments and agencies to ensure trade and investment impacts are both identified and to the greatest extent quantified, in all relevant regulatory proposals.
The Government is committed to monitoring international tax developments to ensure Australia remains well placed and competitive to attract foreign investment. Australia’s existing Double Tax Agreements (treaties) play an important role in removing tax barriers that impede movement of people, capital and technology, and thereby improve tax certainty for firms with cross-border activities. The Government will continue to consider whether Australia’s Double Tax Agreements appropriately support key bilateral trade relationships, whilst maintaining the tax system’s integrity.

The Government recognises that quality rules that allow for cross-border data mobility, with appropriate privacy protections, are critical for the functioning of a competitive digital economy. APEC has endorsed Australia’s participation in its Cross-Border Privacy Rules system, effective from 23 November 2018.

The Attorney-General’s Department has been working through some of the legal complexities of domestic implementation of these rules and consulting with Australia’s privacy regulator, the Office of the Australian Information Commissioner.
OBJECTIVE 2.2

The Government will:

2.2A
Strengthen analysis of trade and investment impacts in regulatory proposals.
Department of the Prime Minister and Cabinet | Industry recommendation 1A

2.2B
Accelerate processes to assess the APEC Cross Border Privacy Rules system and implement the system domestically if it makes sense to do so.
Attorney-General’s Department | Industry recommendation 9E

2.2C
Continue to provide accessible and user-friendly information for foreign investors to Australia, including through the websites of the Australian Tax Office, the Foreign Investment Review Board and Austrade.
Department of the Treasury | Industry recommendation 6A

2.2D
Continue to Chair the Tax Reference Working Group of the Asia Region Funds Passport to ensure collaboration and cooperation across participating Passport economies.
Department of the Treasury | Industry recommendation 6A

2.2E
Monitor international tax developments to ensure Australia remains well placed and competitive to attract foreign investment, including monitoring Australia’s treaty network to ensure it remains appropriately aligned to our trading relationships, whilst maintaining tax system integrity.
Department of the Treasury | Industry recommendation 6B

Industry will:

2.2F
Establish a body to develop a stronger narrative about why e-commerce in services and digital trade is good for Australia.
Australian Services Roundtable | Industry recommendation 16A

2.2G
Develop an industry position paper on digital trade.
Australian Services Roundtable | Industry recommendation 16A

The Government and Industry will jointly:

2.2H
Establish a mechanism for continuous consultation with industry on digital business policy issues.
Department of the Prime Minister and Cabinet | Industry recommendations 16B and 16C
## INDUSTRY RECOMMENDATIONS

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<tr>
<td><strong>The Government should strengthen the analysis and sectoral input made available to decision-makers in relevant domestic policy processes to ensure the impacts on trade and investment are able to be properly taken into account.</strong></td>
<td><strong>Develop accessible, user-friendly tools that give greater clarity to foreign investors on how they will be taxed in Australia (such as detailed ‘scenario-based’ taxation guides based around the categories of financial products specified in the APEC Asia Region Funds Passport).</strong></td>
<td><strong>Review the non-resident withholding tax regime to ensure its settings are internationally competitive.</strong></td>
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<tr>
<td><strong>Accelerate the domestic implementation of the voluntary APEC Cross Border Privacy Rules, and promote greater understanding of their benefits, to improve the likelihood of these rules becoming the regional minimum standard.</strong></td>
<td><strong>Encourage the establishment of an industry-led body to develop a stronger narrative about why e-commerce is good for Australia, particularly for regional Australia, and promote awareness of e-commerce issues. This body could be an industry focal point for engagement in our region.</strong></td>
<td><strong>Establish a mechanism for Government to have continuous consultation with industry on e-commerce policy issues.</strong></td>
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<th>16C</th>
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<td><strong>Recognise the centrality of e-commerce to the creative services industries and ensure appropriate representation in industry and government processes in developing e-commerce and digital trade policy.</strong></td>
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<td>Agreed</td>
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In January 2020, changes were made to the Regulation Impact Assessment framework to strengthen this analysis further by focussing impact analysis on all costs and benefits, not just those that relate to regulatory or compliance costs. (2.2A)

Australia and Singapore signed the Singapore-Australia Digital Economy Agreement on 6 September 2020 which includes cooperation in, and joint promotion of, the APEC Cross Border Privacy Rules system. Planned industry consultations on the Rules and how business can benefit from the rules were temporarily put on hold due to COVID-19. (2.2B)

Treasury leads and chairs the Tax Reference Working Group – a forum of tax experts established specifically to discuss tax issues and ensure collaboration and cooperation across the participating Asia Region Funds Passport economies. (2.2D)

In the 2020-21 Budget, the Government announced it will modernise and expand Australia’s tax treaty network over the next five years to eliminate double taxation, settle taxing rights between Australia and other countries and attract foreign investment and skilled workers. (2.2E)

In November 2019, the Prime Minister announced the establishment of a Digital Technology Taskforce within the Department of the Prime Minister and Cabinet. The Taskforce will work with industry, including large and small businesses, the community and with relevant Australian Government agencies to find ways to ensure all Australians can benefit from digital technology and be protected against harms. This includes considering how Government can promote productivity gains through the take-up of digital technology across the Australian economy.


Government is consulting broadly on digital trade issues, including encouraging industry to engage with the development of DFAT’s Future of Digital Trade Rules discussion paper by making submissions via www.dfat.gov.au. (2.2H)

The Australian Services Roundtable (ASR) has created the Australian Digital Trade Forum to develop a stronger narrative about why e-commerce in services and digital trade is good for Australia. ASR members will work closely together to identify Australian stakeholder interests in digital standards development and will participate with the Australian Institute for International Affairs in commencing informal stakeholder policy dialogue with government on Digital Trade and Security. ASR is advocating broad industry participation in this initiative. (2.2F)
OUTCOME 3
WORLD-CLASS SKILLS AND TALENT

OBJECTIVE 3.1
Domestic workforce meets the needs of industry

OBJECTIVE 3.2
Ready access to International Talent
The ability of Australian services exporters to compete internationally is contingent on the talent, skills and qualifications of their people. In the services sector, the proportion and importance of human capital as an input is much greater than for goods sectors, like manufacturing. Hence, having people with the right skills and experience matters.

It is vital that Australia’s workforce is skilled to meet the needs of our services industries. On the one hand, maintaining the high quality of the Australian education system and continuing to improve Australia’s ability to produce world-class graduates is important. This also includes incentivising students to study in fields with better job prospects and building strong relationships between universities and industry.

On the other hand, in a dynamic and fast-changing global economy, there will continue to be skill gaps in Australia’s domestic workforce. Both permanent and temporary skilled migration is critical to filling those gaps and to ensure that our services sector is internationally competitive.

OECD analysis of migration megatrends to 2035 warns that competition between countries to attract and retain skilled migrants could intensify as living standards in emerging economies increase, boosting their appeal for talented individuals.

Getting the best overseas talent to fill skill gaps for Australian services exporters requires continual refinement to the accessibility and promotion of our immigration programs. Australia’s skilled migration program settings are agile and can be adjusted to respond to the changing needs of the Australian economy as we recover from COVID-19.
OBJECTIVE 3.1
DOMESTIC WORKFORCE MEETS THE NEEDS OF INDUSTRY

The Government and industry agree that ensuring graduates are well-equipped with the knowledge and skills needed now and into the future is key to the international competitiveness of Australian services.

Industry representatives noted their concern that current university programs, career pathways offered by industry, and student preferences were not attracting young people to technical professions in the services sector.

For example, despite mining services being an area in which Australia leads globally, most Australian universities had discontinued their mining engineering programs owing to a lack of demand. According to the Department of Education, Skills and Employment, mining engineering enrolments fell from 2724 in 2012 to 850 in 2019.

Industry representatives noted that internal university surveys had shown that the major reasons students do not choose to study mining engineering were due to lack of information; negative associations with climate change and coal; lifestyle concerns (numerous causes); employment stability concerns in mining services; and the political stigma associated with the mining industry.

Industry representatives noted that leadership within the industry, supported by government, was needed to more visibly hold up technical professionals. These professionals operate at the forefront of technology, championing sustainability, and contributing to Australian services exports. This could be supported by incentives for universities to take new approaches to ensure courses are directly relevant to exporting services industries.

Industry supported the initiatives in the Resources 2030 Task Force Report, National Resources Statement 2019, and the Society of Mining Professors: Mines of the Future document. They emphasised the need for government and industry joint leadership on maintaining the human resources critical to the global mining industry throughout the commodity cycle in order to retain core technical and technology competencies for export markets.

Industry also noted that specific skillsets in humanities, such as communications, continued to fall away at a time when such skillsets were critical for export purposes.

The Government agrees that it is crucial for the higher education system to produce job-ready graduates who will support Australia’s economic growth.

Australia has an established reputation for its high-quality education and training system, underpinned by strong legal and regulatory frameworks. Our education and training system is characterised by an evidence-based and future-focused approach. This ensures graduates are well-equipped with the knowledge and skills needed now, and into the future, in a globalised labour market.

We continually review Australia’s education and training system, so we have the right structural and regulatory systems to meet the changing needs of individuals and businesses. This includes the needs of services exporters in a period of increasing complexity and rapid technological change.

Our approach is to ensure Australian Government funding for university places is in line with contemporary evidence on: the cost of delivering university education; increased transparency; and greater flexibility to higher education providers to produce graduates in disciplines that reflect the national interest.

To this end, the Government has announced the Job-Ready Graduates package to ensure there are more in-demand Australian graduates. The package creates more university places for Australian students, provides more funding and support to regional students and universities, makes it cheaper to study in areas of expected job growth, and strengthens relationships between universities and business to drive workforce participation and productivity.
ACTION PLAN

The Government will:

3.1A Incentivise Australia’s education and training system to deliver job-ready graduates in the disciplines and regions they are needed most, including the needs of services exporters.

Department of Education, Skills and Employment | Industry recommendations 5.1E, 5.2C and 5.2D

3.1B Provide Australians with accurate and up-to-date career information and support, including a single authoritative source of careers information that provides simple, easy to navigate information to support decision making on career pathways.

Department of Education, Skills and Employment | Industry recommendation 5.2B

3.1C Enable more Australian jobseekers, workers and small businesses impacted by COVID-19 to up-skill and re-skill with industry non-accredited digital skills training options.

Department of Industry, Science, Energy and Resources | Industry recommendations 5.1E and 5.2D

3.1D Help lift the digital capability of Australia’s business decision makers through Digital Directors Training to support organisational leaders with their digital strategy to drive digital transformation.

Department of Industry, Science, Energy and Resources | Industry recommendations 5.1E and 5.2A

3.1E Work with industry and education providers to ensure cyber security careers pathways, education and training are delivering quality job-ready cyber security professionals.

Department of Industry, Science, Energy and Resources | Industry recommendations 5.1E, 5.2C and 5.2D

Industry will:

3.1F Engage state and territory governments and non-government education authorities on secondary school campaigns to promote careers in services export industries.

Industry recommendation 5.2B
## INDUSTRY RECOMMENDATIONS

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<tr>
<th>Objective</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>5.1E</strong></td>
<td>Ensure Australia’s approach to education, training and skilling of its own workforce meets the skills needs of services exporters.</td>
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<tr>
<td><strong>5.2A</strong></td>
<td>Develop leadership in digital technology within Australia to drive transformational change across the services sector.</td>
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<tr>
<td><strong>5.2B</strong></td>
<td>Government should support industry-led campaigns at secondary schools and industry be visibly active in recognising and rewarding excellence in technical professions to promote technical careers, including in services export industries.</td>
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<tr>
<td><strong>5.2C</strong></td>
<td>Government should incentivise Australian universities to develop a new approach to ensure courses are directly relevant to the needs of Australian society and the economy, including services exports.</td>
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<tr>
<td><strong>5.2D</strong></td>
<td>Support employers to provide career pathways, training, apprenticeships and internships to attract students to careers in areas of identified skills need, including export-oriented services sectors.</td>
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</table>
PROGRESS TO DATE

On 19 June 2020, the Government announced its Job-Ready Graduates package, which will deliver more job-ready graduates in the disciplines and regions where they are needed most. This package includes measures to improve tertiary education outcomes for regional and remote Australia. More information is available at www.dese.gov.au/job-ready. (3.1A)

On 9 December 2019 the Australian Government accepted all recommendations of the Australian Qualifications Framework Review in relation to higher education. The Government also accepted the aims of the recommendations of the review regarding vocational education and training (VET), contingent on further discussions with state and territory governments and is currently working with the states and territories to make decisions on implementation. (3.1A)

JobMaker is the Government’s plan to return Australians to work and support economic recovery and future growth. The VET system will help drive Australia’s economic recovery by giving people the skills for jobs that are in demand. Key VET initiatives under the JobMaker plan, include:

• $2.8 billion Supporting Apprentices and Trainees wage subsidy, to keep apprentices and trainees in jobs

• an additional $1.2 billion for the Boosting Apprenticeship Commencements measure to support up to 100,000 new apprentices and trainees

• $1 billion JobTrainer Fund, in partnership with the states and territories; and

• Heads of Agreement for Skills Reform, agreed with the states and territories.

The Government has committed $500 million in 2020-21 to the new JobTrainer Fund, to be matched by states and territories. The Fund will deliver up to 340,000 additional free or low fee training places for job seekers and young people, including school leavers, in areas of identified skills need. (3.1A)

The Australian Government and all State and Territory Governments have signed the Heads of Agreement for Skills Reform, which sets out immediate reforms to improve the vocational education and training sector as well as an approach and priorities for developing a new National Skills Agreement (to replace the National Agreement on Skills and Workforce Development) by August 2021. The priorities in the Heads of Agreement aim to ensure that Australians can access high quality and relevant training and businesses can get the skilled workers they need, to take on jobs that emerge through the next decade and beyond. (3.1A)

The Government continues to implement the $585 million Delivering Skills for Today and Tomorrow package of measures to strengthen the VET system. (3.1B)

The Government’s Digital Business Plan includes $2.5 million in seed funding to support the Digital Skills Finder Platform. The platform will enable more Australian jobseekers, workers and small businesses impacted by COVID-19 to up-skill and re-skill with industry non-accredited digital skills training options. This complements the accredited focus of the National Careers Institute digital platform. (3.1C)
The Government is also helping to increase digital representation on boards and lift the digital capability of Australia’s business decision makers. The Digital Directors training program will ensure more Australian boardrooms have the understanding and capability needed to drive the digital transformation and competitiveness of our economy and help industry lead a stronger economic recovery post-COVID-19. (3.1D)

The $50 million Cyber Security National Workforce Growth Program will ensure that cyber security skills required now can be developed quickly and a pipeline of cyber security skills for the future is embedded in Australian business to support secure ongoing operation in a digital economy through a range of initiatives including the Cyber Security Skills Partnership Innovation Fund. The Fund will support industry and education providers to work together to promote career pathways, training, apprenticeships and internships to attract people to cyber security careers. (3.1E)
The new Central Queensland University School of Mining and Manufacturing at the university’s Rockhampton North and Gladstone Marina campuses will support Queensland’s mining and manufacturing sectors through skills-training, education, research and workforce development for the future. Australian Government funding of $30 million together with a $7 million co-contribution from CQU will support construction of two new purpose-built education and training facilities fitted out with state-of-the-art equipment.

The NCI’s key achievements since its establishment in July 2019 include designing and rolling out a digital platform, YourCareer.gov.au, to help people find quality career and study information and establishing a grants program to help develop better career services for people at all stages of their career.

The NCI is also delivering the Enhanced Support for School Leavers measure, which will inform young people about jobs in demand, post school study options, how to get into work quickly and tips on how to be competitive in a changing labour market.

Both of these new bodies will play an important role in supporting Australia’s economic recovery from the COVID-19 pandemic, providing evidence and advice for governments, employers and individuals on the labour market and skills needs.
OBJECTIVE 3.2
READY ACCESS TO INTERNATIONAL TALENT

The Government and industry agree that Australia’s immigration program needs a strong emphasis on filling skill gaps to help grow the economy.

Industry underlined the importance of a skilled migration policy that complements, integrates with, and supplements Australia’s domestic approach to skilling and training its citizens. This is essential for the development of internationally competitive skills in Australia’s services sub-sectors.

For example, the Australian Computer Society’s Australia’s Digital Pulse Report estimated that there will be 35,000 fewer tech workers in December 2020 than the end of 2019, partly due to COVID-19 disruptions to migration.

Industry emphasised the need for a supportive skilled migration policy and immigration program that is based on a well-nuanced approach. It should make appropriate linkages between temporary and permanent migration to make Australia an attractive destination for globally mobile talent in the sectors where they are needed.

Industry noted many services exports involve the movement of people across national borders to undertake work, in person. Barriers to the temporary movement of people into key export markets remain key constraints for Australian services exporters. The ability of services providers to move temporarily in and out of Australia as smoothly as possible is therefore essential.

Active international promotion of the immigration avenues available to skilled workers plays a critical role in attracting talent to fill skills shortages in Australia.

The Government is continually engaging the community, business and education sectors on the migration system and better aligning visa rules with the services sector’s requirements.

In line with our response to the Thodey Review of the Australian Public Service, we are committed to providing modern, easy to access, digital services for visa clients.

While current visa systems continue to function, processing and decision making in many cases is still undertaken manually. The Department of Home Affairs is working to update systems and processes. This includes simplifying the visa process for services firms to more easily access international talent.

The Government continues to promote visa programs to attract global talent of the highest calibre to Australia as skilled migration continues to make substantial contributions to Australia’s economic prosperity, national wellbeing and social cohesion. We will continue to work with Australian universities, industry bodies, and State and Territory governments to attract global talent to Australia.

We are also closely monitoring migration and visa settings to ensure they are consistent with public health measures, are flexible and do not displace job opportunities for Australians so that Australia can deal with the immediate and post recovery impacts of COVID-19.
OUTCOME 3: WORLD-CLASS SKILLS AND TALENT

OBJECTIVE 3.2

The Government will:

3.2A

Streamline the visa system to reduce complexity and costs for services firms when accessing international talent.

Department of Home Affairs | Industry recommendation 5.1C

3.2B

Promote visas and programs to attract skilled migration to ensure the effectiveness of the initiatives.

Department of Home Affairs | Industry recommendation 5.1F

3.2C

Implement carefully calibrated skilled migration initiatives to attract and retain people with critical skills that support Australia’s economic recovery from COVID-19.

Department of Home Affairs | Industry recommendations 5.1C and 5.1F

ACTION PLAN

INDUSTRY RECOMMENDATIONS

5.1C

Continue to streamline the visa system to reduce complexity and costs for services firms when accessing international talent.

Agreed

5.1F

Continue the promotion of visas and programs to attract skilled migration to ensure the effectiveness of the initiative.

Agreed
On 20 March 2020, the Australian Government announced a broad **new policy approach to the acquisition and delivery** of workflow processing capability. Consistent with the Government’s response to the Independent Review of the Australian Public Service (the Thodey Review), the Department of Home Affairs and the Digital Transformation Agency were instructed to source and deliver a Permissions Capability to underpin the modernisation of visa and citizenship service delivery within Home Affairs and that could be reused across government for other similar permission-based services. Many internal and external government services include similar permission-based elements including, for example, permits, accreditations, licences and registrations. *(3.2A)*

On 8 August 2019 the Government announced that the **Global Talent – Employer Sponsored program** pilot would continue to support Australian businesses as an ongoing program to deliver more flexible, future focused visa arrangements that help attract global talent to Australia.

The program provides faster processing and more flexible concessions than the standard visa program. Its key features include access to a permanent residence pathway and the ability to cater for high-skill, niche roles that are not on the skill shortage lists due to their highly specialised nature and cannot be filled through existing visa programs. *(3.2A, 3.2B)*

On 4 September 2020, the Government announced the **Global Business and Talent Attraction Taskforce** to lead a whole-of-nation campaign to identify and attract exceptional talent and high-value businesses from around the globe to boost Australia’s pandemic recovery.

In November 2019, the Government launched the **Global Talent Independent program** which offers a fast-tracked process to permanent residence in Australia for highly skilled migrants at the top of their fields in one of seven selected target industries.

The program is designed to attract global talent of the highest calibre, with entrepreneurial ideas and cutting-edge skills within target industry sectors, who can contribute to Australia’s economy by driving innovation and supporting the creation of local jobs. *(3.2B)*

On 2 September 2020, the Government introduced a **Priority Migration Skilled Occupation List** which prioritises migration for people with critical skills through employer sponsored visa programs to fill skills needs, help create jobs and rebuild Australia’s economy from COVID-19. The list of 17 occupations is based on advice from the National Skills Commission and other Australian Government agencies and prioritises occupations critical to Australia’s recovery from the pandemic and provides priority processing of eligible nomination and visa applications.

While border restrictions remain in place, temporary visa holders working in one of the priority occupations will also have their application for a travel exemption prioritised. The Priority Migration Skilled Occupation List will be temporary, and prioritisation of these occupations will be updated as Australia recovers from the pandemic.

On 4 April 2020 a **special COVID-19 Pandemic event visa** was introduced that allows temporary workers employed in the agriculture, food processing, health, aged and disability care and childcare sectors to extend their stay by 12 months to assist in mitigating risks of critical skills shortages in these sectors in Australia due to the COVID-19 Pandemic. The visa eligibility also allows temporary visa holders in Australia to remain lawfully in Australia if their departure arrangements are delayed by COVID-19 associated border and travel industry disruptions.

On 17 December 2020, the Government announced measures to ensure the Business Innovation and Investment Program is well-placed to support Australia’s post-COVID-19 economic recovery by maximising the economic impact of high value investors, business owners and entrepreneurs. *(3.2C)*
GLOBAL BUSINESS AND TALENT ATTRACTION TASKFORCE

As part of the Australian Government’s multi-pronged strategy to boost the economy and prosperity across the nation, on 4 September 2020, the Hon Alan Tudge MP, Acting Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs, and Senator the Hon Simon Birmingham, Minister for Trade, Tourism and Investment, jointly announced the new Global Business and Talent Attraction Taskforce (‘the Taskforce’).

The Taskforce, hosted by the Department of Home Affairs, partnering with Austrade, is leading a whole-of-nation campaign to identify and attract exceptional talent and high-value businesses from around the globe to Australia to boost the nation’s pandemic recovery.

Companies and individuals who qualify will have access to:

- streamlined pathways to permanent residency
- bespoke advice on how and where to relocate
- industry-specific contacts and support to help companies and individuals find the right location and networks; and
- end-to-end service with a single point of contact.

The Taskforce is working closely with the states and territories to draw on their deep networks and dedicated investment attraction efforts and with industry leaders and the private sector to ensure a Team Australia approach. The Taskforce will help:

- grow the number and quality of jobs in Australia
- build national resilience and self-reliance by filling critical gaps in Australia’s supply chains
- expand the capacity of Australian businesses through strong partnerships with global firms
- expand the channels of capital available for investment in strategic growth sectors; and
- complement and deepen Australia’s knowledge and talent pool.

The Taskforce will build on Australia’s competitive advantages as a business and migration destination, which has been amplified by the nation’s effective response to COVID-19.
OUTCOME 4
CUTTING-EDGE AND INTERNATIONALISED SERVICES

OBJECTIVE 4.1
Innovation in exports and the shift to digital is supported and promoted

OBJECTIVE 4.2
Export assistance is known to services businesses, accessible and fit for purpose services

OBJECTIVE 4.3
Recognised brand that places Australian services front-of-mind globally
In the decade ahead the linkages between globalisation, technological change and new forms of production, consumption and trade will shape economies and societies in profound ways.

For Australia there are significant opportunities. It is vital we apply science and technology, in particular innovation in digital technologies, to improve our productivity and harness new sources of growth across the economy.

Alongside ensuring that Australia is at the forefront of service delivery innovation, we need to ensure a strong Australian brand that places our services capabilities front-of-mind globally.

Australia is well known for its tourism and education sectors, but is less well known for its business, technology and science capabilities. Strengthening Australia’s reputation and expertise in these capabilities will make it easier for Australian businesses, including in Australia services sectors, attract overseas investment and consumer interest in their services, experiences, and products.

The Australian Government and the services industry need to work hand-in-hand in cultivating a strong nation brand that will inspire the world to invest, visit, study and buy from Australia.
The Government and industry agree our companies will need to be agile and adaptable to benefit from changes in the way services are delivered globally.

Industry highlighted the large number of advanced and innovative SMEs and start-ups in Australia’s mining technology services, FinTech and health services sectors. These firms have well-defined technical services offerings, often for digital delivery. However, some firms need support to protect and commercialise their ideas.

Accelerators, incubators and other cluster development initiatives play an important role in supporting innovation, including in regional centres. They improve commercialisation skills for entrepreneurs and increase their engagement in markets domestically and internationally.

Industry representatives outlined that COVID-19 had severely affected face-to-face services delivery. The transition to remote delivery is critical for firms to survive and recover from the pandemic. They suggested the Government assist in identifying and accelerating the adoption of existing technologies in new ways for this purpose, helping position Australia at the forefront of digital service delivery in coming out of the COVID-19 generated economic downturn.

Beyond COVID-19, online service technologies increase efficiency, reduce both production and transaction costs, and deliver additional capabilities. But they also bring new risks. New business and regulatory practices need to be developed to manage liabilities associated with digital rather than face-to-face transactions, from procurement procedures to cyber security. It will be important for Government to play a leading role in this process.

FinTech industry representatives considered the amount of research and development (R&D) spending by business and governments in Australia to be a key issue. In 2015-16, Australia spent 1.88 per cent of GDP on R&D, well below the OECD average of 2.38 per cent. Existing conservative capital investment coupled with COVID-19 has heavily impacted innovative services sectors.

Health industry representatives noted that a healthcare rebate model for domestic health services was the biggest enabler of exports. The right model that supports innovation in services in the domestic setting provides health services firms with opportunities to improve their offerings in Australia before taking them overseas.

Creative industry representatives noted some creative sectors, such as video game development, were excluded from the tax offsets and funding available to the film sector despite the global video game market being worth around three times that of film and TV. While Australia has strong capacity in video game development, the size of our industry lags far behind benchmark countries like the UK and Canada. A strong videogame industry also helps the development of technical skills that support digital exports more broadly.

Indigenous business representatives noted the opportunities to commercialise Indigenous knowledge in conjunction with Traditional Owners, such as traditional land-use practices to improve infrastructure development and reduce the impacts of natural disasters.

The Government wants to see Australia become a leading digital economy by 2030. To that end, we are committed to supporting innovation and the shift to digital in the services sector.

COVID-19 has resulted in major changes to the delivery of services for industry and governments. We are working to adapt delivery methods to assist industry, especially within remote regions.
The Government already funds six Industry Growth Centres in highly productive and strategic sectors in Australia. The Growth Centres help SMEs commercialise products, build business skills and engage markets. One of those Growth Centres is the Australian Cyber Security Growth Centre (AustCyber) which works to align and scale Australian cyber security innovation across industry, industry groups, the research community and governments. This includes enhancing Australian industry’s strengths in building ‘protection stacks’ – the basic infrastructure that protects an organisation’s IT networks and systems.

The Government remains a strong supporter of the Cooperative Research Centres (CRC) Program, which provides grant funding to support industry led research collaborations commercialising cutting-edge research. There are currently 28 active CRCs (funded for up to 10 years), and 112 active CRC Projects (funded for up to three years) working across areas including advanced manufacturing, agriculture, construction, cyber security, digital services, energy, health and mining.

The Government supports the role RegTech can play in promoting regulatory compliance, as part of our broader agenda to grow Australia’s FinTech sector.

In 2018 the Government provided funding to the Australian Securities and Investments Commission (ASIC) to promote Australia as a world leader in the development and adoption of RegTech solutions for the financial services industry. ASIC has used this funding for initiatives focused on the potential use of technology to help businesses deal with the conduct of business compliance issues, thereby promoting better outcomes for consumers and market integrity. These initiatives build on ASIC’s existing engagement and collaboration approach in promoting the potential of RegTech to financial firms and the development of a series of RegTech initiatives.

ASIC’s Innovation Hub also provides practical support to startups and scaleups as they navigate Australia’s financial regulatory system including through informal assistance and guidance.

In response to COVID-19, the Government introduced temporary telehealth items to the Medicare Benefits Schedule (MBS). This complements existing MBS telehealth items which have been available since 2011, including remote health monitoring and diagnosis in relation to sleep studies and telehealth video services to rural and remote communities.

Prior to COVID-19, the Government had already began working with stakeholders on longer term arrangements for the use of telehealth through the development of the Primary Health Care 10-Year Plan and implementing recommendations of the MBS Review Taskforce.

The Government will continue to work with industry on ways to support innovation and the shift to safe and effective digital health services through appropriate mechanisms.
The Government will:

4.1A  
Support accelerators, incubators and other cluster development initiatives for services, including in regional centres.

Department of Industry, Science, Energy and Resources | Industry recommendation 19A

4.1B  
Help industry identify and accelerate the adoption of innovations in remote/digital service delivery.

Department of Industry, Science, Energy and Resources | Industry recommendation 19B

4.1C  
Extend COVID-19 telehealth arrangements and reform the Medicare Benefits Schedule to remove barriers to the delivery of telehealth services.

Department of Health | Industry recommendations 18A and 18B

4.1D  
Introduce an enhanced regulatory sandbox that provides a temporary licence waiver for FinTech firms to test the viability of certain kinds of new services and related products.

Department of the Treasury | Industry recommendation 7C

4.1F  
Accelerate deployment of 5G infrastructure by improving the allocation and management of spectrum.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendation 19B

4.1G  
Support innovation in regulatory technology (RegTech) by providing critical early stage funding to SMEs.

Department of Industry, Science, Energy and Resources | Industry recommendations 2A, 7C, 17E and 19A

4.1H  
Review the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit of both businesses and consumers.

Department of the Treasury | Industry recommendations 19B and 19C

4.1I  
Engage universities, research institutes and the health sector to boost collaboration and innovation in health services through MTPConnect.

Department of Industry, Science, Energy and Resources | Industry recommendation 18D

4.1E  
Support the private sector to invest in 5G trials and testbeds to demonstrate commercial 5G use cases in Australia.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendations 17E and 19B
Industry will:

4.1J

Support innovative Indigenous start-ups access 
international investment, including from funds 
focused on social impact investing and the promotion 
of indigenous-to-indigenous trade.

Indigenous Network for Investment Trade and Export 
(IgNITE)

The Government and Industry will jointly:

4.1K

Develop tools to manage added liability from risks 
associated with digital rather than face-to-face 
transactions.

Department of Industry, Science, Energy and Resources | 
Industry recommendation 19C
OUTCOME 4: CUTTING-EDGE AND INTERNATIONALISED SERVICES

OBJECTIVE 4.1

INDUSTRY RECOMMENDATIONS

2A
The Government should develop a program of national regulatory reform to deal with domestic regulatory impediments and inefficiencies.

Agreed-in-principle

7C
Government to increase funding to Fintech and financial services regulators to empower proactive regulation and to support the adoption of Regtech solutions.

Noted

17E
Government to implement fit for purpose capital injection to support digital transformation in services.

Agreed-in-principle

18A
Support the removal of unintended barriers to services by continuing the arrangement that allow Australians to access Medicare-subsidised telehealth services past September 2020.

Agreed

18B
The Australian Government to prioritise broad-based reform of the Medicare Benefits Schedule (MBS) to remove barriers to delivering health services through digital and connected platforms.

Agreed-in-principle

18D
Australian Government to work with universities, research institutions, the health sector and State and Territory Governments to establish a new ‘health innovation hub’ in a number of physical locations to attract investment and boost collaboration and innovation.

Noted

19A
Government supports accelerators, incubators and other cluster development initiatives for services sectors, including in regional centres.

Agreed

19B
Government assist industry to identify and accelerate the adoption of innovations in online service delivery.

Agreed-in-principle

19C
Government support industry develop tools to manage added liability from higher risks associated with digital rather than face-to-face transactions.

Agreed-in-principle
The $23 million Incubator Support Initiative has improved the prospects of innovative Australian startups by developing their market capabilities and connecting them with quality research, managerial and technical talent. The Government committed a further $5 million to the Initiative in 2019 to support first-generation migrants and refugees to establish a startup and achieve commercial success in international markets. Applications under the Incubator Support First-generation Migrant and Refugee expansion opened on 4 February 2020. (4.1A)

Our Mining Equipment, Technologies and Services Growth Centre – METS Ignited – have held 15 events since 2019 covering digital analytics, automation and robotics, treating tailings and mine affected waters and the development of SME Export Hubs with over 500 attendees in total. (4.1A, 4.1B)

METS Ignited and the Queensland Government run the Scale Up and Take Off accelerator program, which helps startups in investment education, dealing with growth, and skills and resourcing for the future. It includes a series of webinars on international market entry for companies looking to expand overseas, and maintain existing sector progression considering the restrictions on travel. (4.1A)

METS Ignited also supported ‘MackHack’ in Mackay, Queensland. The annual hackathon invites participants to showcase technologies, concept development and prototype solutions to industry challenges presented by local mining houses and mining equipment, technology and services firms. (4.1A)

In June 2020, AustCyber’s NSW Cyber Security Innovation Node partnered with TAFE NSW to launch short courses to meet current and emerging industry needs. The courses will provide new and existing workers with the specialist skills they need to succeed in the growing cyber security sector. (4.1A)

The Node is part of AustCyber’s National Network of Cyber Security Innovation Nodes, designed to foster and accelerate cyber capability development and innovation across the country. It is jointly funded by AustCyber, the Australian Cyber Security Growth Network, and the NSW Government. (4.1A, 4.1K, 4.3G)

The Government provided a grant of $1.9 million in August 2020, to establish a non-government organisation – Navi.digital – to build and enhance small business digital capability and to address issues raised in the Small Business Digital Taskforce report. This includes a campaign to promote the ‘One Small Step’ businesses can take to accelerate their digital transformation. (4.1B, 4.1K)

The Government is delivering the Digital Readiness Assessment tool under the Government’s Digital Business Plan. The tool helps businesses self-assess their digital maturity and identify the best strategy for digital adoption. (4.1B)

The Industry Support Cell of the Department of Defence’s COVID-19 Task Force and DFAT assisted mining services firms identify Australian technology options for remote service delivery during COVID-19. (4.1B)

The Government has extended the temporary Medicare Benefits Schedule (MBS) telehealth arrangement introduced as part of the national COVID-19 emergency health response for a further six months, until 31 March 2021. (4.1C)

The Australian Government has introduced the enhanced regulatory sandbox. The sandbox allows natural persons and businesses to test certain innovative financial services or credit activities without first obtaining an Australian financial services licence or Australian credit licence. The sandbox aims to facilitate financial innovation in Australia from 1 September 2020 and supersedes the previous regulatory sandbox administered by ASIC. It allows testing of a broader range of financial services and credit activities for a longer duration - up to 24 months. (4.1D)

In the 2020-21 Budget, the Government provided $22.1 million in funding to support the private sector to invest in 5G trials to demonstrate the value 5G will bring to the Australian economy. Funding will be used to support emerging commercial use cases in key industry sectors such as agriculture, mining, medical technology and logistics. (4.1E)
In the 2020-21 Budget, the Government provided $7.2 million in funding to the Australian Communications and Media Authority to support the accelerated deployment of 5G infrastructure by improving the allocation and management of spectrum. The Authority will auction millimetre wave spectrum suitable to enable extremely fast, high-capacity services in April 2021 and is working to optimise arrangements in low and mid-band spectrum which will be crucial for broader geographic coverage of 5G services. The Government will also permit successful auction participants to pay by instalments for the next spectrum auction, freeing up capital for investment. (4.1F)

The Australian Government’s Digital Business Plan includes $11.4 million to establish a RegTech Commercialisation Initiative through the Australian Government’s Business Research and Innovation Initiative. RegTech, or regulation technology, can decrease the cost of administering and complying with regulation. The initiative will:

- provide critical early stage funding to innovative SMEs, enabling them to test new technologies that reduce regulatory burden or regulatory compliance; and

- identify regulatory technology solutions that make it easier for businesses to invest and grow, creating more jobs to support our economy. (4.1G, 2.1A)

The Government announced in the 2020-21 Budget that it will be reviewing the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit both businesses and consumers. (4.1H)

Under the Industry Growth Centres Initiative, the Government has provided $15.6 million in project funding to the Medical Technologies and Pharmaceutical Growth Centre, known as MTPConnect, to enable them to undertake collaborative projects with research bodies and industry that have health sector-wide impact. Project funding provided by Industry Growth Centres must be matched by industry on at least a 1:1 basis.

MTPConnect also operates a number of grant programs on behalf of the Department of Health, including the $22.3 million Biomedical Translation Bridge program, which they operate in partnership with BioCurate, UniQuest, the Medical Device Partnering Program and the Bridge and BridgeTech programs.

MTPConnect receives co-funding from the Western Australian Government and University of Western Australia to deliver programs run through the MTPConnect WA Life Sciences Innovation Hub. These programs focus on building innovation, build capacity and new skills, attract investment, and foster commercialisation. (4.1I)

The newly launched Indigenous Network for Investment, Trade and Export (IgNITE) is an Indigenous-led intermediary designed to expedite private investment into outstanding Indigenous enterprises, supporting Indigenous participation in international trade negotiations, and expanding export opportunities. (4.1J)

Australia’s Cyber Security Strategy 2020 was released on 6 August 2020. The Strategy will invest $1.67 billion over 10 years to achieve our vision of creating a more secure online world for Australians, their businesses and the essential services upon which we all depend. It will be delivered through action by:

- governments to strengthen the protection of Australians, businesses and critical infrastructure from the most sophisticated threats
- businesses to secure their products and services and protect their customers from known cyber vulnerabilities; and
- the community to practice secure online behaviours and make informed purchasing decisions. (4.1K)

Under Australia’s 2020 Cyber Security Strategy, the Government is investing $8.3 million in a Cyber Security Business Connect and Protect program to help business uplift their cyber capabilities in parallel with increased digitisation. Trusted industry advisers will be supported to disseminate government information to assist small and medium businesses to securely adopt digital technologies. (4.1K)
Covid-19 has done more than just close restaurants, bars and offices around the world. Access to mine sites have been significantly impacted, particularly for Australian mining specialists that travel internationally to give expert opinions on mine geology, engineering and operations. This work is fundamental to the continued functioning of the mining sector around the globe. It helps miners access project finance, supports mergers and acquisitions, and uncovers ways to improve business operations. Generating this advice requires ‘eyes on the ground’ at mine sites, which are often in remote locations.

Palaris is one such Australian mining specialist firm that was challenged by Covid-19 travel restrictions. Assisted by the Industry Support Cell of the Department of Defence’s COVID-19 Task Force and the Department of Foreign Affairs and Trade, Palaris identified a number of technology options that could provide a solution. This included the Infinity Wearwolf™ App running on a RealWear Inc. HMT-1 ruggedised head-mounted wearable unit. Developed and owned by Western Australian company, Harvest Technology Group Limited (ASX:HTG), the Infinity Wearwolf™ App enables the secure delivery of high-quality live audio and video stream from any location, allowing Palaris’ specialists to undertake virtual mine site inspections and provide real-time trusted assessments to its overseas clients.

After testing at sites around Newcastle NSW, Palaris successfully deployed the Infinity Wearwolf™ headsets to a gold mining project in Çanakkale, Turkey. The client feedback was as follows:

“Overall, I thought the experiment with the headset went very well. Congratulations are in order. Having the ability to have a “panoramic” overview certainly helped focus attention on areas of particular interest.”

This innovative use of existing technology now provides Palaris with a platform to remotely service projects globally during COVID-19 and into the future. It plans to deploy the technology in Kazakhstan, Guinea, Mauritania, and Gabon.

The Indigenous Network for Investment, Trade and Export (IgNITE) is an Indigenous-led intermediary designed to expedite private investment into outstanding Indigenous enterprises, supporting Indigenous participation in international trade negotiations, and expanding Indigenous export opportunities.

At the same time, impact investing around the world is surging and represents significant opportunities for impact investors to achieve authentic engagement and shared outcomes partnering with Indigenous enterprises. In June 2020, the Global Impact Investing Network valued the sector at US$715 billion (A$1 trillion), up from US$500 billion the year before.

“It’s time for greater private investment in Australian Indigenous enterprises by building the pipeline for deal-flow with investment-ready Indigenous enterprises. IgNITE has the right team of Indigenous executives on board to help this important economic initiative achieve greater business and commercial outcomes for Aboriginal and Torres Strait Islander led businesses,” said Mr Godwell – Executive Officer, IgNITE

“Directly linked to this will be redefined measures of Indigenous success, including greater private sector investment flows into Indigenous businesses, faster growth in Indigenous exports, increased market share and market capitalisation of Indigenous companies. This is where IgNITE will play a crucial role.”
OBJECTIVE 4.2

EXPORT ASSISTANCE IS KNOWN TO SERVICES BUSINESSES, ACCESSIBLE AND FIT FOR PURPOSE

The Government and industry agreed to work together to ensure services firms are able to access appropriate international business information in simple and intuitive ways.

Industry representatives encouraged the Government to make sure information about the kinds of support available is easily accessible and is not expressed purely in terms of support for exporters, as many service providers do not necessarily identify themselves as exporters.

Australian services firms do not always know how to access government support programs designed to help them grow their businesses internationally. Navigating the support on offer from State, Territory and Federal governments can be complex.

Industry highlighted that ‘Born Global’ firms have become increasingly common – these are firms that from the beginning pursue global opportunities. In Australia, there are approximately 3,000 new ‘Born Global’ firms each year, representing 5 per cent of all exporters. The bulk of these are in services sectors, such as creative services, IT and professional and business services.

The export environment for creative services has seen significant shifts over the past two decades with the emergence of digital streaming platforms, facilitating new pathways to international markets. Government information portals, such as the Global Business Support Finder, need to recognise the unique nature of creative services exports and offer better support for creative industries like music.

Industry underscored that eligibility requirements for export grants, like the Export Market Development Grant (EMDG) program, need to reflect all modes of services export. In particular, many services firms are increasingly delivering services digitally and online. These firms are at the forefront of new technology development and are important drivers of innovation in Australia.

Mining services representatives noted there is an opportunity to strengthen and optimise the link between Export Finance Australia’s support for domestic and offshore mining projects and participation by Australian services firms.

Health industry representatives noted the sector is well placed, like other professional and technical services providers, to support health capacity building projects in Australia’s overseas development assistance program. This provides opportunities for firms to demonstrate capacities in potential export markets.

The Government is committed to supporting ‘Born Global’ firms and supporting creative and other services industries, like film, music, video games, product design, software, engineering and architecture.

We continue to improve access to information on how to export through www.business.gov.au, which includes information on Australian Government, state and territory assistance.
The Government’s Global Landing Pads play an import role in assisting market-ready start-ups to access expertise, advice and business networks in major innovation hubs around the world. The landing pads program has supported over 300 start-ups and we continue to build awareness of the program.

A review of the most effective and efficient way for Government to support SME exporters in promoting their products and services overseas and enter new export markets, finalised in July 2020, has led to a change in how the Government provides marketing assistance to SMEs. The EMDG program will provide SMEs with more funding certainty before they embark on marketing, through a simpler process. It will continue to support all Australian exporters, not prioritising any product or market.

Export Finance Australia will ensure that the domestic and overseas resources projects it supports contain significant Australian content, including through SME supply chain participation. It will continue to work closely with Austrade to facilitate this.

Australia has world-class health services. Exporting this expertise to deliver the Australian aid program is possible and supported under DFAT’s procurement and grants policies. Suppliers are welcome to join the DFAT Supplier Network LinkedIn Group that provides information on the Australian Aid Program. More information is available at www.dfat.gov.au.

In delivering development assistance, it is important that Australian expertise does not replace local expertise where it is available. This is so Australian aid can have greater impact in building local skills and industries. This is in line with strict development principles the Government subscribes to, including the Paris Declaration on Aid Effectiveness.
**ACTION PLAN**

The Government will:

4.2A

Improve Government information portals on export assistance and information provided by the Australian Government as well as state and territory governments.

_Austrade | Industry recommendations 14C and 17A_

4.2B

Undertake targeted outreach to ensure that current and aspiring services exporters are aware of export assistance and information.

_Austrade | Industry recommendation 17B_

4.2C

Support Export Finance Australia to continue creating opportunities for Australian firms to participate in the resources projects it supports, consistent with relevant international obligations.

_Department of Foreign Affairs and Trade | Industry recommendation 17G_

4.2D

Reorient and simplify the Export Market Development Grants program to provide SMEs with funding certainty before they embark on marketing activities.

_Austrade | Industry recommendation 17C_

4.2E

Consider Australian service providers for health capacity building projects in Australia’s overseas development assistance program in line with development principles.

_Department of Foreign Affairs and Trade | Industry recommendation 18E_

Industry will:

4.2F

Provide feedback to Government on the appropriateness of services export support schemes and assist Government outreach on export assistance by disseminating relevant information via professional and industry associations and non-government networks.

_Industry recommendation 17B_

The Government and Industry will jointly:

4.2G

Create greater awareness of how Landing Pads can support Australian start-ups overseas, including in creative industries.

_Austrade | Industry recommendation 17D_
## INDUSTRY RECOMMENDATIONS

<table>
<thead>
<tr>
<th>14C</th>
<th>Ensure creative services and ‘born global’ industries are factored into Government information portals.</th>
<th><strong>Agreed</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>17A</td>
<td>Develop an interactive map, or ensure the Global Business Support Finder can catalogue all available Commonwealth, State and Territory, not for profit, and industry export assistance and information programs, and ensure this stays up to date.</td>
<td><strong>Agreed-in-principle</strong></td>
</tr>
<tr>
<td>17B</td>
<td>Undertake targeted outreach to ensure that current and aspiring services exporters are aware of these tools. In doing this, the Australian Government should collaborate with professional associations and other non-government partners.</td>
<td><strong>Agreed</strong></td>
</tr>
<tr>
<td>17C</td>
<td>Grants models for schemes such as the Export Market Development Grants should be redesigned to reflect the needs of innovative and ‘born global’ services firms.</td>
<td><strong>Agreed-in-principle</strong></td>
</tr>
<tr>
<td>17D</td>
<td>Increase awareness among creative industries of Austrade’s global landing pads to support innovation in exports.</td>
<td><strong>Agreed</strong></td>
</tr>
<tr>
<td>17G</td>
<td>Consider whether Export Finance Australia’s role linking Australian suppliers to projects it finances could be further enhanced and optimised to create more opportunities for Australian firms.</td>
<td><strong>Agreed</strong></td>
</tr>
<tr>
<td>18E</td>
<td>Australian Government to facilitate access for health services providers to capacity building funds through the Australian Aid Program and other international funding streams.</td>
<td><strong>Agreed-in-principle</strong></td>
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</tbody>
</table>
Austrade has been working with the Department of Industry, Science Energy and Resources to ensure the Grants search and Expertise & Advice search options on business.gov.au capture all State/Territory and Australian Government support for exporters.

Austrade has also developed an Export Market Profiles tool to provide profiles on high priority markets for selective services or technologies and is continuing to expand the range of export advice available through its digital services. (4.2A)

Austrade is trialling a customised service for Born Globals. The pilot will run for about 20-25 companies and includes up to series B financing level in size. The companies come from various states in Australia and across sectors, including creative industries. (4.2B)

Austrade is implementing changes to the Export Market Development Grants (EMDG) scheme and agrees that the EMDG scheme should meet the needs of all Australian exporters who are best able to make use of EMDG funding. The scheme has been redesigned to reorient and simplify its processes – creating more certainty in funding and easier access for exporters. (4.2D)

Austrade’s Landing Pads provide sector-specific 90-day boot camps which provide start-ups with a short-term global market-testing immersion. Established as part of the Global Innovation Strategy, the Landing Pads have been established in five key global locations: San Francisco, Berlin, Shanghai, Tel Aviv and Singapore. Austrade’s Landing Pads program has supported over 340 businesses since 2016. This includes alumni from creative industries such as virtual reality, augmented reality, textiles and immersive media.

The Landing Pads program has supported three creative industries bootcamps – a virtual and augmented reality mission to North Asia in 2019, a gaming bootcamp to China in 2019 and an immersive media virtual bootcamp in June 2020. Landing Pads alumni have achieved commercial outcomes as a direct result of the program, such as setting up an entity in market, securing export sales, and forming a collaborative partnership or agreement.

Amid the COVID-19 pandemic, the Landing Pads program has been providing virtual services to digital startups and scaleups. The Landing Pads program has continued to provide a range of services, including 1-to-1 business development support from Austrade, connections to startup ecosystems, customers and partners, access to Entrepreneurs-in-Residence and mentors. Globally, Austrade has delivered four virtual bootcamps and one virtual 90 day cohort. (4.2G)
Mighty Kingdom begun as a small outsourced app developing company in 2010. Fast forward ten years, it is now a dedicated game development company and is helping to drive the digital success of global brands such as Disney, LEGO and Shopkins. The company’s successful client work has enabled them to create their own games and grow their staff from five in 2013 to seventy-five in 2020.

Based in Adelaide, Mighty Kingdom is a major supporter and leader of South Australia’s creative industry. The company’s work with the State Government has led to the creation of the Games Plus co-working facility; a central hub for Adelaide’s games developers. The Games Plus co-working facility opened in 2018, with Mighty Kingdom as the anchor tenant, and reached full capacity within a year.

Mighty Kingdom also received an Export Market Development Grant (EMDG). The EMDG enabled the company to increase their presence and chase further opportunities internationally, such as attending games conferences in San Francisco and Paris, which led to new partnerships with clients from Sweden and Canada.
The Government and industry agree the promotion of Australian services firms abroad as high-quality, innovative and solutions-driven operators is an important adjunct in boosting Australia's services exports.

Industry considers an established national brand can provide a critical ‘pull factor’ that generates offshore client interest in Australian services providers and gives export-oriented SMEs the confidence to ‘go international’.

As industry strengthens its narrative to promote Australian services, the Australian Government should ensure the Nation Brand initiative aligns strongly with the whole spectrum of Australian services capabilities to benefit the breadth of our services sectors. It is important any industry-developed narrative and Australia’s Nation Brand are interlinked and mutually-supportive.

More should be done to promote services sectors where Australia had established or emerging comparative advantage, for example cyber expertise. This should include building on the work done by CSIRO to develop trust and understanding of cutting-edge and foundational technologies like artificial intelligence, blockchain and quantum computing.

Similarly, creative industry representatives believed the development of a creative industry export strategy could benefit the Australian economy by generating income, creating jobs and empowering artists and people. In 2014, Australia’s creative service industry is estimated to have generated exports of $5.1 billion.

Industry emphasised the importance of virtual trade missions and industry events during COVID-19 to help services providers engage with new clients and re-engage with existing ones. Travel restrictions in response to COVID-19 have removed normal face-to-face networking channels for engaging key players in export markets. In these unprecedented times, diplomatic channels can potentially have an important role to play in positioning Australia front and centre as a country that can assist COVID-19 recovery. The convening power of Ambassadors and High Commissioners could be leveraged by hosting online events and participating in industry webinars.

The Government recognises the importance of promoting Australian capabilities to help our exporters succeed. We continue to promote Australian businesses in overseas markets, showcasing their expansive range of products, services, capabilities and investment opportunities.

We encourage industry to work collectively to strengthen its narrative to promote Australian services, including the development of a creative industries export strategy by industry.

We will continue to work with and support industry-led promotional initiatives through Australia’s new Nation Brand. As part of the Nation Brand, we have developed a unifying and consistent library of assets for Australian businesses and industry to use when promoting their services, products and experiences and capabilities internationally. Australia’s Nation Brand assets and resources will be freely available to Australian businesses of all sizes to use when targeting international audiences.

In the wake of the global pandemic, Austrade is pivoting toward new digital marketing initiatives. This includes the virtual delivery of trade missions and trade and investment promotion activities to maintain business relationships and continuing to pursue commercial opportunities.

The Government recognises Australia’s cyber sector is critical and growing. The sector has the potential to almost triple by 2026. We actively promote the Australian cyber security and critical technologies sectors, including through CSIRO’s first overseas office in Silicon Valley and Austrade’s San Francisco Landing Pad. These initiatives accelerate innovation in Australia through engagement with the world’s leading centre of tech excellence.

In particular, Austrade engages with international cyber security and critical technology firms to attract productive direct investment, foster research collaboration and link technology ecosystems.
OUTCOME 4: CUTTING-EDGE AND INTERNATIONALISED SERVICES

OBJECTIVE 4.3

ACTION PLAN

The Government will:

4.3A
Deliver an industry-led, government-enabled Nation Brand that supports the whole spectrum of Australian services capabilities and allows services exporters to adopt the Nation Brand when promoting their service offerings internationally.
_Austrade | Industry recommendations 13A and 13B_

4.3B
Deliver a range of free resources and assets for Australian services businesses and industries to access to help them grow their business, and align themselves with the Australia brand when promoting their services overseas.
_Austrade | Industry recommendations 13A and 13B_

4.3C
Enhance support for Australian FinTechs to gain a foothold in international markets and to encourage foreign investment and job creation in Australia.
_Austrade | Industry recommendations 13A and 13D_

4.3D
Encourage industry to develop a Creative Industry Export Strategy.
_Department of Foreign Affairs and Trade | Industry recommendation 13C_

The Government and Industry will jointly:

4.3E
Develop a consistent, unifying look and narrative to support the promotion of Australian services overseas and help shift international perceptions of Australian services capability and businesses.
_Austrade | Industry recommendation 13A_

4.3F
Support the promotion of Australian services in key markets during COVID-19 and recovery using diplomatic channels, and industry-led virtual trade-related events and symposiums.
_Austrade and the Department of Foreign Affairs and Trade | Industry recommendation 13D_

4.3G
Build a coalition of support at home and overseas to advocate Australia’s cybersecurity capabilities and interests.
_Department of Home Affairs | Industry recommendation 15A_
## Industry Recommendations

| 13A | Develop a Government and industry-led services narrative to support the promotion of Australian services overseas, with an emphasis on the internationally recognised capability of Australian services firms, their collaborative nature, and their innovative and solutions-driven ethos. This should include identifying and promoting points of excellence and success stories in the Australian services sector and highlight specific expertise. | Agreed |
| 13B | The Australian Government should ensure Australia’s Nation Brand initiative captures and supports the whole spectrum of Australian services capabilities and allows services exporters to leverage the Nation Brand to promote their service offerings. | Agreed |
| 13C | Encourage industry to develop a ‘Creative Industry Export Strategy’. | Agreed |
| 13D | The Government support trade promotion in key markets during COVID-19 using diplomatic channels to promote Australian services in key markets and supporting industry-led virtual trade missions and virtual symposiums. | Agreed |
| 15A | Industry and government should work jointly to build a coalition of support at home and overseas to advocate for Australia’s cybersecurity capabilities and interests. | Agreed |
PROGRESS TO DATE

Australia’s Nation Brand is now available for use by Federal, State and Territory government agencies and will be available for businesses to apply to their international marketing efforts soon. More information is available at www.austrade.gov.au/nation-brand. (4.3A, 4.3E)

In the 2020-21 Budget, the Government announced $9.6 million over four years to support Australian FinTechs to gain a foothold in international markets and to encourage foreign investment and job creation in Australia as part of the Government’s Digital Business Plan. (4.3C)

On 2 November 2020, the Government facilitated a discussion among creative industry representatives to kick-off the development of a Creative Industry Export Strategy. (4.3D)

The Department of Foreign Affairs and Trade is working with industry to identify priority countries and key stakeholders in those markets to engage in promoting Australian services exports. (4.3F)

In 2017, AustCyber was established to ensure Australia is well positioned to take advantage of the growing global cyber security market and support the development of a strong cyber security industry in Australia. The $40.5 million public private partnership works to: increase collaboration and commercialisation; improve international opportunities and market access; enhance management and workforce skills; and identify opportunities for regulatory reform. (4.3G)

In June 2020, AustCyber also partnered with the NSW Government and Standards Australia to launch short courses to meet current and emerging industry needs. The courses will provide new and existing workers with the specialist skills they need to succeed in the growing cyber security sector. (4.3G)

The Cyber Security Cooperative Research Centre is an independent and collaborative centre where industry, government and research partners work together to create new products, services and systems. The Centre will receive $50 million from 2017-24 to deliver solutions that increase the security of critical infrastructure and provide cyber security solutions that benefit businesses and their customers. The aim is to ensure Australia is recognised as a secure and trusted place to do business, enabling industry to attract and increase investment, trade and commerce. (4.3G)

In June 2020, AustCyber’s NSW Cyber Security Innovation Node partnered with TAFE NSW to launch short courses to meet current and emerging industry needs. The courses will provide new and existing workers with the specialist skills they need to succeed in the growing cyber security sector.

The Node is part of AustCyber’s National Network of Cyber Security Innovation Nodes, designed to foster and accelerate cyber capability development and innovation across the country. It is jointly funded by AustCyber, the Australian Cyber Security Growth Network, and the NSW Government. (4.1A, 4.1K, 4.3G)
OUTCOME 5

INFORMATION-DRIVEN POLICIES AND BUSINESS STRATEGIES

OBJECTIVE 5.1
Services statistics capture the trends, contribution and competitiveness of the sector

OBJECTIVE 5.2
Export market intelligence is collected and shared

OBJECTIVE 5.3
Businesses are aware of and use free trade agreement outcomes
Key to success will be both governments and industry having a clear sense of the shifts in market conditions, modes of production, and consumption preferences. We need to have a firm grasp of where Australia’s strengths lie and areas of potential growth.

It is therefore vital Australian businesses and governments have current and comprehensive data and market intelligence, including access to data, science and analytics technologies upon which to make sound market strategy decisions and policies.

We live in the most economically dynamic region of the world and we have high-quality services sought by growing Indo-Pacific economies. Our network of free trade agreements provide access to those markets and increased predictability by locking in existing market conditions.

Alongside providing Australia’s services sector with information on our free trade agreements to increase their awareness and use, the Government seeks to deliver comprehensive and up-to-date data and insights to ensure choices by governments and businesses reflect reality in a fast-paced and dynamic environment.
Industry and Government agree that part of the challenge in developing evidence-based solutions for the services sector is access to accurate, complete and timely statistics on Australia’s services exports. This is because traditional balance of payments statistics underestimate services flows as returns from Australian owned foreign affiliate firms are captured as returns on investment.

Industry highlighted the underestimation of the true contribution of services exports to Australia’s economy affects policy making and program design. With a stronger picture of the nature of export services, modes of delivery, export value, trends, and key markets, government and industry would be better placed to develop and implement:

- fit-for-purpose regulatory frameworks
- export strategies; and
- targeted export promotion programs.

Industry noted greater investment is required to develop a sustainable services data asset. While industry welcomed the survey of Australian owned businesses undertaking economic activity overseas, they observed that this should not be only a one-off financial commitment. Industry also suggested additional data sources, such as banking or other large transactional datasets, could offer complementary windows into the markets for services exports, beyond the traditional analyses that underpin the National Accounts.

Indigenous business representatives noted the lack of data on trade and investment related to Indigenous businesses, including in the services sector. Government assistance in collecting and sharing data on Australian Indigenous trade and investment would help inform the work of Indigenous peak business bodies, exporters and the Government in supporting Indigenous services exporters.

The Government recognises the value of robust data in informing policymaking but acknowledges the challenges in collecting data on services exports.

The Australian Bureau of Statistics (ABS) currently runs a quarterly Survey of International Trade in Services, which provides data on selected services. This survey data is combined with additional datasets to compile trade in services estimates, which are produced monthly, quarterly and annually. This data is produced in accordance with international standards and classifications but does not include transactions between foreign affiliates.

The Government will continue to explore opportunities to work with industry to identify and support initiatives focused on collecting meaningful services statistics and making it publicly available. Two recent outcomes are the Australian Outwards Foreign Affiliates Trade Survey and a DFAT funded services exports statistics publication by the Australian Services Roundtable.

We will continue to explore data requirements, drawing on existing and complementary data sources as appropriate, to better describe the services sector. An important factor will be whether data is already being obtained by ABS either directly or through other data sources, or whether an expanded or new survey would be required, which would involve additional cost and administrative burden for businesses.
ACTION PLAN

The Government will:

5.1A
Undertake regular services exports surveys and produce a national dataset, including earnings of Australian foreign affiliates.
Australian Bureau of Statistics | Industry recommendation 4A

5.1B
Explore alternative data sources to better understand Australia’s services exports with the view to developing a robust data asset that provides timely insight into the true value of the services sector.
Australian Bureau of Statistics | Industry recommendation 4A and 4C

5.1C
Conduct a survey of Australian Indigenous business participation in international trade and success in attracting foreign direct investment to help inform the work of Government in assisting Indigenous businesses participate in international markets.
Department of Foreign Affairs and Trade | Industry recommendation 4B

The Government and Industry will:

5.1D
Conduct services sector specific surveys and studies to build on other data and information activities and build a better picture of services exports and international practice.
Australian Bureau of Statistics | Industry recommendation 4B

5.1E
Explore funding options to improve creative services exports data and research on the sector’s export potential and benefits to other industries.
Department of Foreign Affairs and Trade | Industry recommendation 4D
INDUSTRY RECOMMENDATIONS

4A
The Australian Government should provide ongoing funding for the Australian Bureau of Statistics (ABS) to undertake regular services exports surveys and produce a national dataset, including earnings of Australian foreign affiliates.

Agreed

4B
The Australian Government should work with industry to build on other activities (such as the Australian International Business Survey) and conduct a services sector specific survey to provide a snapshot that can be combined with existing ABS data to build a better picture of services exports and international practice.

Agreed

4C
The Australian Government should examine how alternative data sources could help to better understand Australia’s services exports, with the view to developing a robust data asset that provides timely insight into the true value of the services sector.

Agreed

4D
The Australian Government and Industry should improve data on current creative services exports, impacts on other industries, and research on creative services export potential.

Agreed-in-principle
PROGRESS TO DATE

The Australian Outwards Foreign Affiliates Survey for 2018-19 was released on 10 September 2020 providing much sought-after information on international sales of Australian majority-owned enterprises. The previous such survey was conducted in 2002-03. (5.1A)

DFAT commissioned a report on ‘born global’ exporters – Research into the experiences of Born Global service exporters – to identify the factors that enable success in exporting. Refer to page 15 for more detail. (5.1B)

The Australian Services Roundtable (ASR) released on 9 December 2020 a DFAT funded statistical publication on Australian services exports — Statistical Showcase – Australia’s Services Industry 2020 (http://australianervicesroundtable.com.au/). The publication fills an information gap by analysing services export performance through several lenses, including the sectors’ value-add to goods exports, international comparisons, trade restrictiveness in partner economies and the services sectors role in attracting two-way foreign direct investment. ASR has also produced a 37-minute explanatory video to accompany the statistical brochure. (5.1D)
OBJECTIVE 5.2
EXPORT MARKET INTELLIGENCE IS COLLECTED AND SHARED

The Government and industry agree on the importance of understanding overseas market conditions and ensuring information on opportunities for trade as well as barriers to Australian services exports overseas is shared among government and industry.

Research with Industry indicates there is a strong appetite for information and support, including tailored information about in-market set-up and commercial opportunities and challenges.

Industry pointed out that market intelligence is important to help potential exporters with market selection and strategy. This includes information on areas of potential growth and opportunity, as well as potential barriers to doing business.

Barriers that create difficulties for services exporters can include trade rules that unjustifiably disadvantage overseas suppliers or domestic regulations, such as licensing, registration and business requirements that are unnecessarily and prohibitively burdensome – these are known as behind-the-border barriers.

The business environment in Australia’s key export destinations are constantly changing. The development and maintenance of a comprehensive list of barriers faced by Australian services exporters in those markets would create an invaluable tool for business.

Such a list could be the consolidation of existing feedback mechanisms, surveys, workshops, and targeted in-depth interviews to build and prioritise barriers affecting business. This could be linked with the Government’s and perhaps the Export Council of Australia’s existing tools and processes to address behind the border barriers for both goods and services exports.

The Government is committed to working with industry to promote open markets and create commercial opportunities for Australian businesses overseas. This includes doing more to share with industry information on policy developments and in-market insights gleaned by Australian diplomats and trade commissioners operating overseas.

Market intelligence from Australia’s diplomatic network positions our businesses to make informed decisions about the offshore commercial operating environment.

Every day, we share insights from Australia’s diplomatic network directly with businesses so they can understand market developments, navigate disruptions and take advantage of international market expansion opportunities.

The Government annually publishes Market Insights reports on key economies, based on intelligence from the diplomatic network. Intelligence from the diplomatic network, and from Australian business, also informs Government’s economic policy making, including in response to the COVID-19 pandemic and geopolitical developments.

We agree that having a comprehensive list of international barriers affecting services exports is of vital importance. We welcome close engagement with services firms in identifying, prioritising and resolving where possible barriers to services exports.

The Non-Tariff Barriers Gateway, launched under the Government’s Non-Tariff Barriers Action Plan, is an existing online mechanism for businesses to report barriers they encounter when doing business overseas. We are using the information provided to devise strategies, in partnership with industry, to reduce or remove those barriers.
These efforts are supporting Australian service providers that directly deliver their product overseas, but also the many Australian services that are embedded in the production of our goods exports.

The Government acknowledges the usefulness to business of having access to information on behind-the-border barriers other businesses are facing overseas. We are open to exploring with industry ways to share that information while maintaining commercial confidentiality and ensuring integrity.
ACTION PLAN

The Government will:

5.2A
Develop and maintain the Non-Tariff Barrier Gateway website (www.tradebarriers.gov.au) for exporters to report international barriers to exporting.

Department of Foreign Affairs and Trade | Industry recommendations 8A and 8B

5.2B
Publish Market Insights profiling business conditions in more than 70 overseas markets.

Department of Foreign Affairs and Trade | Industry recommendation 8A

5.2C
Share market intelligence with peak industry bodies regularly on developments in offshore markets

Department of Foreign Affairs and Trade | Industry recommendation 8A

The Government and Industry will:

5.2D
Consolidate a comprehensive and prioritised list of international barriers to services exports, including formal market access barriers as well as ‘behind-the-border’ process, procedural, regulatory and cultural barriers.

Department of Foreign Affairs and Trade | Industry recommendation 8A
OUTCOME 5: INFORMATION-DRIVEN POLICIES AND BUSINESS STRATEGIES

OBJECTIVE 5.2

INDUSTRY RECOMMENDATIONS

**8A**
Government and industry should work together to consolidate a comprehensive and prioritised list of international barriers to services exports for actioning, including formal market access barriers as well as ‘behind-the-border’ process, procedural, regulatory and cultural barriers.

*Agreed*

**8B**
Develop a user-friendly mechanism to encourage exporters to keep the industry-government developed comprehensive and prioritised list of international barriers to services exports accurate and current.

*Agreed*
PROGRESS TO DATE

We have developed a cloud-based case management system for housing and tracking non-tariff barrier information across government, including business enquiries submitted through the Non-Tariff Barriers Gateway (www.tradebarriers.gov.au).

Under the Non-Tariff Barriers Action Plan, the Government is monitoring and addressing where possible, more than 300 potential and actual barriers to Australian goods and services exports across 20 industry sectors in more than 70 markets.

A more comprehensive picture is emerging of the trade barriers faced by Australian exporters, including new barriers arising in the wake of COVID-19. Our information on non-tariff barriers comes from businesses, as well as surveying our network of overseas posts and various other sources. (5.2A)

DFAT published over 70 Market Insight reports on the DFAT website in December 2019, with the next annual update due in December 2020. (5.2B)

The Government held more than 100 consultations to exchange market intelligence with Australian business in the first half of 2020, including weekly consultations with peak business organisations in the first six months of the COVID-19 pandemic. (5.2C)

In March 2020, we held a Research Services and Innovation Non-Tariff Barrier Roundtable on potential barriers to exports. We are now actively monitoring the potential barriers identified.

DFAT is implementing a six-monthly Professional Services Roundtable, which brings together professional services peak bodies and exporters to identify priority markets and market-access barriers, including ‘behind-the-border’ process, procedural, regulatory and cultural barriers. We will use this mechanism for two-way exchange of information and to feed industry priorities into trade negotiations and other official international engagements. (5.2D)
OBJECTIVE 5.3
BUSINESSES ARE AWARE OF AND USE FREE TRADE AGREEMENT OUTCOMES

The Government and industry agree increased awareness and use of Australia’s free trade agreements would help grow our services exports.

Industry representatives reported that many services exporters do not know how to use the services provisions of Australia’s free trade agreements (FTAs) and are deterred by a perception that compliance is complex, time consuming, and expensive. The Financial Services Working Group, in particular, identified this as an important issue for their sector.

Industry believes better cross-linking of public information across government agencies, with a focus on providing more comprehensive FTA compliance advice, would give greater confidence to Australian services firms looking to export.

The Government places a high priority on creating commercial opportunities for Australian businesses through FTAs.

These agreements create platforms for services providers to grow their exports by removing key barriers and providing more transparent and predictable operating conditions overseas.

The Government also remains committed to increasing business awareness and use of FTAs.

The Government will continue to undertake a range of activities with respect to FTAs, for example:

- DFAT will continue to undertake domestic consultations, including in relation to services, with regard to FTAs and other trade-related agreements that are being negotiated

- DFAT and Austrade will continue to offer bespoke advocacy intended to raise business awareness and use of FTAs, including in relation to services exports

- the FTA Portal, a website providing businesses with easy-to-access information about goods and services export opportunities under Australia’s FTAs, will be maintained and updated when new FTAs enter into force

- detailed online information about FTAs will be maintained and updated where necessary, including factsheets on services relates issued for businesses; and

- FTA email inboxes that allow SMEs and other businesses to submit FTA related queries and have them answered by FTA experts will be maintained.

The Government also recognises the important role industry associations and other business groups can play in assisting business understand and use FTAs.
ACTION PLAN

The Government will:

5.3A
Promote business awareness and use of Australia’s free trade agreements.
Department of Foreign Affairs and Trade | Industry recommendation 14B

5.3B
Consult business and other stakeholders in relation to free trade agreement negotiations through regular stakeholder outreach.
Department of Foreign Affairs and Trade | Industry recommendation 14B

5.2C
Provide simple, clear and intuitive digital information on Australia’s growing network of free trade agreements, including on DFAT’s website and the FTA Portal.
Department of Foreign Affairs and Trade | Industry recommendation 14B

Industry will:

5.3D
Promote awareness and use of free trade agreements within their sector and provide information to Government on opportunities to increase outreach for the services sector.
Industry recommendation 14B
DFAT and Austrade should work with regulators and industry bodies to increase FTA-related outreach and training for the services sector, delivered both in-person and through digital platforms.

Noted

A 2018 PricewaterhouseCoopers (PwC) report titled *Free Trade Agreement Utilisation Study* concluded FTAs were being widely used and have a positive impact on business confidence, activity, strategy, and expansion planning, including in the services sector.

The PwC report also concluded that while FTAs deliver greater regulatory certainty for Australian service providers and investors in partner markets, these commitments to liberalise services were still new territory for businesses. In addition, the full service market outcomes of Australia’s North Asian FTAs would take time to bear fruit, and would become evident over future years.
Austrade and DFAT have delivered over 130 information seminars between May 2015 and February 2020 intended to increase business awareness and use of FTAs, including by services firms.

Due to COVID-19 restrictions, Austrade and DFAT pivoted in May 2020 to delivering a series of 12 webinars focused helping businesses take advantage of FTAs. (5.3A)

The Government will continue to undertake a range of activities with respect to increasing business awareness and use of FTAs. For example, DFAT will continue to undertake domestic consultations with regard to FTA negotiations and continue to offer bespoke advocacy intended to raise business awareness and use of FTAs, including in relation to services exports. (5.3A, 5.3B)

Austrade has launched Free Trade Advantage, an e-learning platform that brings together a range of practical advice and resources to help Australian businesses access the benefits of Australia’s FTAs. The platform is designed to help new and experienced exporters alike navigate the FTA process and will continue to be available via Austrade’s Digital Exporter Services. Moreover, outreach activities such as seminars, webinars and round tables – covering markets with whom we have an FTA in place – will incorporate information about the advantages of the relevant FTA and links to the Free Trade Advantage platform. (5.3A)

Since the launch of the Free Trade Agreement Portal (www.ftaportal.dfat.gov.au) in 2015, the site has attracted over 350,000 users - see case study. (5.3C)
The FTA Portal (ftaportal.dfat.gov.au) is an easy-to-use website which enables use of Australia’s in-force free trade agreements (FTAs) by businesses, including goods and services exporters.

For goods exporters, the FTA Portal:

- allows for product searches and provides (HS Code) information relating to a specific FTA
- provides information on product specific tariffs under Australia’s FTA’s. Where more than one FTA is available to an exporter, then the FTA Portal enables the exporter to compare options and make an informed choice
- offers guidance on eligibility for tariff rate reductions under a specific FTA; and
- delivers information on obtaining certification through an authorised certifying body or how to self-certify.

For services exporters, the FTA Portal:

- allows for searches for a services export relating to a specific FTA
- provides information about cross-border supply, commercial presences, and working in country (movement of natural persons). Where more than one FTA is available to an exporter, then the FTA Portal enables the exporter to compare options and make an informed choice; and
- obtain further information about services exports.
STATE AND TERRITORY INITIATIVES AND OTHER RESOURCES

STATE AND TERRITORY INITIATIVES

In addition to maintaining representative offices in target markets, Australian States and Territories have a plethora of useful and targeted initiatives currently in place or being developed that are aimed at improving opportunities for Australian businesses internationally. Here are a few examples of those initiatives and programs relevant to services subsectors beyond the international education and tourism subsectors.

Australian Capital Territory

The ACT Government’s International Engagement Strategy recognises that Canberra is a dynamic, vibrant city where the interaction between government, science, research, arts, education and business fosters innovation and economic opportunity. It demonstrates a clear commitment to building enduring international relationships for the economic, cultural and social benefit of the ACT.


New South Wales

A significant initiative, Global NSW ([www.global.nsw.gov.au](http://www.global.nsw.gov.au)) is focused on trade, investment and economic development to competitively position NSW and Sydney in the global economy. This initiative covers both goods and services sectors, but provides opportunities for the international growth of many priority services sectors including across Fintech, MedTech, AgTech and FoodTech, Clean energy, Defence and aerospace, Environmental services and Smart cities.

Northern Territory

Relevant strategies supporting the development of services exports include:

- NT International engagement, trade and investment strategic plan 2018 to 2021
- The Digital Territory Strategy
- Territory Inbound Worker Strategy 2019-2028
- Northern Territory business innovation strategy
- Northern Territory gas strategy: five point plan.


A range of programs and services which support accelerators, incubators and other initiatives:

- The Innovator-in-Residence program provides mentoring and specialist advice to start-up businesses to help them grow and address the critical uncertainties faced by small and medium enterprises in the Northern Territory.
- The Business Acceleration Program is an intensive business growth program that enables chief executive officers / managing directors and executives of Territory companies to identify growth opportunities, overcome business challenges, and drive competitive advantage.
- The Trade Support Scheme can help businesses offset the costs of international marketing activities. The scheme can provide funding for up to 50% of the cost of approved activities.

The Local Jobs Fund supports transformative projects and will help high growth potential Territory businesses to increase exports of goods and services both interstate and internationally.
Queensland

Initiatives and programs that support services exports include:

- E-commerce support programs to build capabilities and capacity for Queensland SMEs to be competitive in the global e-commerce space.

- International Market Heatmap provides timely market intelligence on the different stages of the economic recovery of individual markets as a result of COVID-19. It reflects the various stages of economic recovery for several key markets and aids in understanding the impact of international exports for Queensland businesses.

- Support for industry led consortium, Australian Silver Industry Group, which delivers world class services, products and technologies in aged care and senior living, including in a COVID-19 and post-COVID-19 environment. These include: assistive technologies to assist home living; remote patient monitoring; and automated prioritisation tools to help triage urgent investigation.

Grants programs to support SME exporters to enter new international markets. The Go Global Export Program provides support to exporters in overcoming international barriers to entry and aids sales into a new market.


South Australia

Service exports is a priority focus over the next 12 months (2020 and through 2021) where the State will be using BIS (Bank for International Settlements) data to impute values to Professional Services activities within the Growth State sectors noted below, including across Defence, Space, Creative Industries, Health and Medical and Hi-Tech.

Nine Growth State sectors in which the state has existing or emerging competitive advantage. Some of these sectors are concentrated entirely or overwhelmingly in services, including in creative industries, some have a major services component (Hi-Tech, Health and Medical Industries), whilst some are increasingly seeing services potential, and the contribution of services exports is expected to grow over time (Food, Wine & Agribusiness, Mining and Energy, Defence & Space). Each of these sectors has released, or is soon to release, a detailed sector strategy. These sector strategies are owned and endorsed by industry.

A Virtual Trade Action Plan in 2020 developed in response to the impact of COVID-19 and the challenge this placed on exporters meeting in usual ways (face-to-face, trade missions etc). This has enhanced our digital delivery strategy and digital promotion of the State’s capability important in growing exports and investment over time.

Tasmania

The Accelerating Trade Grant Program provides co-contributions to exporters to accelerate trade. The Tasmanian Government also manages a Trade Alliance Program where regional organisations and industry associations can apply for funding for collaborative trade opportunities.

As of November 2020, a Services Environmental Scan was being completed. However, service exporters are incorporated into the Tasmanian Trade Strategy with access to Government assisted programs and initiatives.

Victoria

Global Victoria (www.global.vic.gov.au/home), Victoria’s premier trade facilitation agency, provides exporters and potential exporters with a dedicated agency and program to assist businesses internationalise. It focusses on building the skills and knowledge of Victorian businesses to grow on the international stage and promotes the state’s world-class industry capabilities to international audiences.

Western Australia

In addition to maintaining programs and initiatives focused on exports across resources, agriculture and other related areas – all sectors that recognise embedded services – the WA Government has, including to position the state to best recover from the impacts of COVID-19, undertaken a Review of Skills, Training and Workforce Development and committed advancing all recommendations. This includes progressing initiatives that will assist services exporters with a focus on preparing the workforce for the digital world, furthering new technologies and creating new futures for displaced workers.


OTHER USEFUL GOVERNMENT RESOURCES FOR BUSINESSES

Business.gov.au
www.business.gov.au

An online government resource for the Australian business community, offering you simple and convenient access to all of the government information, assistance, forms and services you need. It’s a whole-of-government service providing essential information on planning, starting and growing your business.

The Global Business Support Finder
www.export-help.business.gov.au

This portal assists services exporters to find information from across government and other sources on how to export your service. Tell the service about your business and which location you want to do business with, and we’ll tell you what you need to know. This includes qualifications, grants, taxes, business culture and regulations that may affect you.

DFAT Free Trade Agreement Portal
www.ftaportal.dfat.gov.au

DFAT’s FTA Portal is a comprehensive resource for exporters, and importers of goods and service providers looking to explore the benefits of Australia’s current free trade agreements and how to apply for preferential treatment under those FTAs.

Overcoming non-tariff barriers
www.tradebarriers.dfat.gov.au

Department of Foreign Affairs and Trade
www.dfat.gov.au

Austrade website
www.austrade.gov.au
ACKNOWLEDGEMENTS

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Note: Details listed for each participant reflect their organisational affiliations and positions as at the time of consultation.

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Deborah Young, CEO – RegTech Australia
Esti Zilber, Creative Producer – Sounds Australia
# ACRONYMS

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABAC</td>
<td>APEC Business Advisory Council</td>
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<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
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<td>APRA</td>
<td>Australian Prudential Regulation Authority</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>ASIC</td>
<td>Australian Securities and Investments Commission</td>
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<td>ASR</td>
<td>Australian Services Roundtable</td>
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<td>CPTPP</td>
<td>Comprehensive and Progressive Agreement for Trans-Pacific Partnership</td>
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<td>CRC</td>
<td>Cooperative Research Centres</td>
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<td>CSIRO</td>
<td>Commonwealth Scientific and Industrial Research Organisation</td>
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<td>DEA</td>
<td>Australia-Singapore Digital Economy Agreement</td>
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<td>DFAT</td>
<td>Department of Foreign Affairs and Trade</td>
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<td>EMDG</td>
<td>Export Market Development Grants program</td>
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<td>FinTech</td>
<td>Financial technology</td>
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<td>FTAs</td>
<td>Free Trade Agreements</td>
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<td>G20</td>
<td>Group of Twenty</td>
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<td>GATS</td>
<td>General Agreement on Trade in Services</td>
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<td>GDP</td>
<td>Gross domestic product</td>
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<td>ICT</td>
<td>Information and communications technology</td>
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<td>IEC</td>
<td>International Electrotechnical Commission</td>
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<td>International Organization for Standardization</td>
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<td>ITU</td>
<td>International Telecommunication Union</td>
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<td>MBR</td>
<td>Modernising Business Registers</td>
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<td>MBS</td>
<td>Medicare Benefits Schedule</td>
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<td>METS</td>
<td>Mining equipment, technology and services</td>
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<td>NCI</td>
<td>National Careers Institute</td>
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<td>NSC</td>
<td>National Skills Commission</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>R&amp;D</td>
<td>Research and development</td>
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<tr>
<td>RegTech</td>
<td>Regulatory technology</td>
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<td>SAFTA</td>
<td>Singapore-Australia Free Trade Agreement</td>
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<tr>
<td>SME</td>
<td>Small and Medium Sized Enterprises</td>
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<td>VET</td>
<td>Vocational education and training</td>
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<td>WIPO</td>
<td>World Intellectual Property Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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<tr>
<td>WTSA</td>
<td>World Telecommunication Standardization Assembly</td>
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</table>
ANNEX 1: LIST OF ACTIONS

Below is a list of all 81 initial Actions that make up the Services Exports Action Plan. The Actions are organised under the Outcomes and Objectives of the Action Plan with references to the relevant industry recommendations and the organisations responsible for progressing each Action.

OUTCOME 1: FREE AND OPEN INTERNATIONAL TRADE IN SERVICES

Objective 1.1:
Ease of movement of people, capital, services and data across borders

The Government will:

1.1A
Pursue high-quality digital trade liberalisation and facilitation rules through free trade agreements and participation in the WTO, OECD, APEC and G20.

Department of Foreign Affairs and Trade |
Industry recommendations 9C and 9D

1.1B
Pursue effective and balanced protection and enforcement of intellectual property rights in our region that promotes Australia’s intellectual property administration, regulations and enforcement procedures abroad, including in free trade agreements and the World Intellectual Property Organization.

Department of Infrastructure, Transport, Regional Development and Communications |
Industry recommendation 11E

1.1C
Continue to promote and support regulatory cooperation frameworks for trade in financial services, including through free trade agreements and multilateral fora.

Department of Foreign Affairs and Trade |
Industry recommendation 12F
1.1D
Support ASIC and APRA in promoting Australian and international standards for financial regulation through the International Organisation of Securities Commissions, Basel Committee on Banking Supervision, Financial Stability Board, and arrangements with key markets, including China, Japan and the Republic of Korea.

Department of the Treasury | Industry recommendations 12A and 12B

1.1E
Lead and contribute to financial regulation capacity building in the Indo-Pacific, including sharing of best-practice in digital delivery and regulation of financial services.

Department of the Treasury | Industry recommendation 12E

1.1F
Finalise the development of the Corporate Collective Investment Vehicles Legislation.

Department of the Treasury | Industry recommendation 12C

1.1G
Work within the Asia Region Funds Passport Joint Committee to encourage use of the passport.

Department of the Treasury | Industry recommendation 12D

1.1H
Continue to consider whether Australia’s Double Tax Agreements appropriately support key bilateral trade relationships whilst maintaining tax system integrity.

Department of the Treasury | Industry recommendation 6C

1.1I
Increase the two-way mobility of professionals to and from key markets through continuing the inclusion of practical mechanisms in free trade agreements for professional bodies/regulators to collaborate and eliminate ‘behind-the-border’ procedural and other barriers.

Department of Foreign Affairs and Trade | Industry recommendation 5.1D

Industry will:

1.1J
Continue and intensify engagement in commercial diplomacy efforts offshore, to build mutual recognition of professional qualifications, greater alignment of financial regulations and enhanced interoperability of domestic regulations and standards, including digital standards.

Australian Services Roundtable | Industry recommendations 5.1D and 9C

1.1K
Work with rights owners and affiliated copyright collecting societies in the region to facilitate cross-border licensing of creative content.

Australasian Performing Right Association and Australasian Mechanical Copyright Owners Society (APRA AMCOS) | Industry recommendation 11E

The Government and Industry will jointly:

1.1L
Increase the international mobility of professionals with key export markets by establishing mutual recognition arrangements of professional licensing and registration, and pathways for foreign professionals to practice for a limited time or in a limited capacity.

Department of Foreign Affairs and Trade | Industry recommendations 5.1D and 10A
Objective 1.2:
Global best-practice standards and regulations adopted in key markets

The Government will:

1.2A
Support Australian participation in the development of international standards that could have a direct impact on Australian industry and exporters, including involvement by industry experts.

Department of Industry, Science, Energy and Resources | Industry recommendations 11A and 11B

1.2B
Promote international regulatory cooperation and coherence through Australia’s bilateral exchanges, the Australian free trade agreement agenda, Aid for Trade/economic co-operation activities, as well as engagement in APEC and G20.

Department of Foreign Affairs and Trade | Industry recommendations 11C and 11D

1.2C
Support capacity building projects in the Indo-Pacific to encourage the harmonisation of international standards and the adoption of Australian regulatory approaches.

Department of Industry, Science, Energy and Resources | Industry recommendations 11C, 11D and 11F

1.2D
Advocate open telecommunications standards in international and regional standard setting bodies that support an efficient, interoperable and interconnected global network, including the International Telecommunication Union.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendation 11A

Industry will:

1.2E
Develop a list of priority Australian standards and regulations recognised as international best practice and priority markets in which to promote them.

Industry recommendation 11F

The Government and Industry will jointly:

1.2F
Use Industry Growth Centres to promote best-practice Australian and international standards through the Growth Centres’ international networks.

Department of Industry, Science, Energy and Resources | Industry recommendation 11F

1.2G
Work with Standards Australia to identify Australia’s interests in the development of international standards and opportunities for Australia to engage.

Department of Industry, Science, Energy and Resources | Industry recommendations 11A, 11B and 11F

1.2H
Promote business participation in major international forums to advance our interests in digital trade.

Department of Foreign Affairs and Trade | Industry recommendation 9B
OUTCOME 2: BEST-PRACTICE SYSTEMS AND RULES ACROSS AUSTRALIA

Objective 2.1:
Continuing to advance a single domestic market for services

The Government will:

2.1A
Reduce red tape, making it easier for business to invest, create jobs and assist COVID-19 economic recovery through the Deregulation Taskforce.
Department of the Prime Minister and Cabinet | Industry recommendation 2A

2.1B
Pursue national regulatory reform with state and territory governments through the Council on Federal Financial Relations under National Cabinet.
Department of the Prime Minister and Cabinet | Industry recommendations 2A and 3B

2.1C
Modernise business registers so that businesses can quickly view, update and maintain their business registry data in one location.
Department of the Treasury | Industry recommendation 2A

2.1D
Improve occupational mobility in Australia to make it easier for people in licensed occupations to move their skills to where they are needed and enable businesses and consumers to access skilled workers more quickly by working with states and territories and industry.
Department of the Prime Minister and Cabinet | Industry recommendation 3A

2.1E
Improve national regulation of resources informed by recommendations put forward by the Productivity Commission study on Resources Sector Regulation.
Department of the Prime Minister and Cabinet | Industry recommendation 3C
Industry will:
2.1F

Improve national consistency between state and territory regulations for professional services to make it easier and cheaper to deliver services nationwide.

Professional services peak bodies | Industry recommendation 3A

Objective 2.2:
Regulatory settings and standards that enhance competitiveness

The Government will:
2.2A

Strengthen analysis of trade and investment impacts in regulatory proposals.

Department of the Prime Minister and Cabinet | Industry recommendation 1A

2.2B

Accelerate processes to assess the APEC Cross Border Privacy Rules system and implement the system domestically if it makes sense to do so.

Attorney-General’s Department | Industry recommendation 9E

2.2C

Continue to provide accessible and user-friendly information for foreign investors to Australia, including through the websites of the Australian Tax Office, the Foreign Investment Review Board and Austrade.

Department of the Treasury | Industry recommendation 6A

2.2D

Continue to Chair the Tax Reference Working Group of the Asia Region Funds Passport to ensure collaboration and cooperation across participating Passport economies.

Department of the Treasury | Industry recommendation 6A

2.2E

Monitor international tax developments to ensure Australia remains well placed and competitive to attract foreign investment, including monitoring Australia’s treaty network to ensure it remains appropriately aligned to our trading relationships, whilst maintaining tax system integrity.

Department of the Treasury | Industry recommendation 6B
Industry will:

2.2F
Establish a body to develop a stronger narrative about why e-commerce in services and digital trade is good for Australia.
Australian Services Roundtable | Industry recommendation 16A

2.2G
Develop an industry position paper on digital trade.
Australian Services Roundtable | Industry recommendation 16A

The Government and Industry will jointly:

2.2H
Establish a mechanism for continuous consultation with industry on digital business policy issues.
Department of the Prime Minister and Cabinet | Industry recommendations 16B and 16C
OUTCOME 3: 
WORLD-CLASS SKILLS 
AND TALENT

Objective 3.1: 
Domestic workforce meets 
the needs of industry

The Government will:

3.1A
Incentivise Australia’s education and training system to 
deliver job-ready graduates in the disciplines and regions 
they are needed most, including the needs of services 
exporters.

Department of Education, Skills and Employment | 
Industry recommendations 5.1E, 5.2C and 5.2D

3.1B
Provide Australians with accurate and up-to-date career 
information and support, including a single authoritative 
source of careers information that provides simple, easy 
to navigate information to support decision making on 
career pathways.

Department of Education, Skills and Employment | 
Industry recommendation 5.2B

3.1C
Enable more Australian jobseekers, workers and small 
businesses impacted by COVID-19 to up-skill and re-skill 
with industry non-accredited digital skills training options.

Department of Industry, Science, Energy and Resources | 
Industry recommendations 5.1E and 5.2D
Help lift the digital capability of Australia’s business decision makers through Digital Directors Training to support organisational leaders with their digital strategy to drive digital transformation.

*Department of Industry, Science, Energy and Resources | Industry recommendations 5.1E and 5.2A*

Work with industry and education providers to ensure cyber security careers pathways, education and training are delivering quality job-ready cyber security professionals.

*Department of Industry, Science, Energy and Resources | Industry recommendations 5.1E, 5.2C and 5.2D*

**Industry will:**

Engage state and territory governments and non-government education authorities on secondary school campaigns to promote careers in services export industries.

*Industry recommendation 5.2B*

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**Objective 3.2:**
Ready access to international talent

**The Government will:**

**3.2A**

Streamline the visa system to reduce complexity and costs for services firms when accessing international talent.

*Department of Home Affairs | Industry recommendation 5.1C*

**3.2B**

Promote visas and programs to attract skilled migration to ensure the effectiveness of the initiatives.

*Department of Home Affairs | Industry recommendation 5.1F*

**3.2C**

Implement carefully calibrated skilled migration initiatives to attract and retain people with critical skills that support Australia’s economic recovery from COVID-19.

*Department of Home Affairs | Industry recommendations 5.1C and 5.1F*
OUTCOME 4: CUTTING-EDGE AND INTERNATIONALISED SERVICES

Objective 4.1:
Innovation in exports and the shift to digital is supported and promoted

The Government will:

4.1A
Support accelerators, incubators and other cluster development initiatives for services, including in regional centres.
Department of Industry, Science, Energy and Resources | Industry recommendation 19A

4.1B
Help industry identify and accelerate the adoption of innovations in remote/digital service delivery.
Department of Industry, Science, Energy and Resources | Industry recommendation 19B

4.1C
Extend COVID-19 telehealth arrangements and reform the Medicare Benefits Schedule to remove barriers to the delivery of telehealth services.
Department of Health | Industry recommendations 18A and 18B

4.1D
Introduce an enhanced regulatory sandbox that provides a temporary licence waiver for FinTech firms to test the viability of certain kinds of new services and related products.
Department of the Treasury | Industry recommendation 7C
Support the private sector to invest in 5G trials and testbeds to demonstrate commercial 5G use cases in Australia.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendations 17E and 19B

Accelerate deployment of 5G infrastructure by improving the allocation and management of spectrum.

Department of Infrastructure, Transport, Regional Development and Communications | Industry recommendation 19B

Support innovation in regulation technology (RegTech) by providing critical early stage funding to SMEs.

Department of Industry, Science, Energy and Resources | Industry recommendations 2A, 7C, 17E and 19A

Review the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit of both businesses and consumers.

Department of the Treasury | Industry recommendations 19B and 19C

Engage universities, research institutes and the health sector to boost collaboration and innovation in health services through MTPConnect.

Department of Industry, Science, Energy and Resources | Industry recommendation 18D

Industry will:

Support innovative Indigenous start-ups access international investment, including from funds focused on social impact investing and the promotion of Indigenous-to-indigenous trade.

Indigenous Network for Investment Trade and Export (IgNITE)

The Government and Industry will jointly:

Develop tools to manage added liability from risks associated with digital rather than face-to-face transactions

Department of Industry, Science, Energy and Resources | Industry recommendation 19C
Objective 4.2:
Export assistance is known to services businesses, accessible and fit for purpose

The Government will:

4.2A
Improve Government information portals on export assistance and information provided by the Australian Government as well as state and territory governments.
_Austrade | Industry recommendations 14C and 17A_

4.2B
Undertake targeted outreach to ensure that current and aspiring services exporters are aware of export assistance and information.
_Austrade | Industry recommendation 17B_

4.2C
Support Export Finance Australia to continue creating opportunities for Australian firms to participate in the resources projects it supports, consistent with relevant international obligations.
_Department of Foreign Affairs and Trade | Industry recommendation 17G_

4.2D
Reorient and simplify the Export Market Development Grants program to provide SMEs with funding certainty before they embark on marketing activities.
_Austrade | Industry recommendation 17C_

4.2E
Consider Australian service providers for health capacity building projects in Australia’s overseas development assistance program in line with development principles.
_Department of Foreign Affairs and Trade | Industry recommendation 18E_

Industry will:

4.2F
Provide feedback to Government on the appropriateness of services export support schemes and assist Government outreach on export assistance by disseminating relevant information via professional and industry associations and non-government networks.
_Industry recommendation 17B_

The Government and Industry will jointly:

4.2G
Create greater awareness of how Landing Pads can support Australian start-ups overseas, including in creative industries.
_Austrade | Industry recommendation 17D_
**Objective 4.3:**
Recognised brand that places Australian services front-of-mind globally

The Government will:

**4.3A**
Deliver an industry-led, government-enabled Nation Brand that supports the whole spectrum of Australian services capabilities and allows services exporters to adopt the Nation Brand when promoting their service offerings internationally.
*Austrade | Industry recommendations 13A and 13B*

**4.3B**
Deliver a range of free resources and assets for Australian services businesses and industries to access to help them grow their business, and align themselves with the Australia brand when promoting their services overseas.
*Austrade | Industry recommendations 13A and 13B*

**4.3C**
Enhance support for Australian FinTechs to gain a foothold in international markets and to encourage foreign investment and job creation in Australia.
*Austrade | Industry recommendations 13A and 13D*

**4.3D**
Encourage industry to develop a Creative Industry Export Strategy.
*Department of Foreign Affairs and Trade | Industry recommendation 13C*

The Government and Industry will jointly:

**4.3E**
Develop a consistent, unifying look and narrative to support the promotion of Australian services overseas and help shift international perceptions of Australian services capability and businesses.
*Austrade | Industry recommendation 13A*

**4.3F**
Support the promotion of Australian services in key markets during COVID-19 and recovery using diplomatic channels, and industry-led virtual trade-related events and symposiums.
*Austrade and the Department of Foreign Affairs and Trade | Industry recommendation 13D*

**4.3G**
Build a coalition of support at home and overseas to advocate Australia’s cybersecurity capabilities and interests.
*Department of Home Affairs | Industry recommendation 15A*
OUTCOME 5: INFORMATION-DRIVEN POLICIES AND BUSINESS STRATEGIES

Objective 5.1:
Services statistics capture the trends, contribution and competitiveness of the sector

The Government will:

5.1A
Undertake regular services exports surveys and produce a national dataset, including earnings of Australian foreign affiliates. 
Australian Bureau of Statistics | Industry recommendation 4A

5.1B
Explore alternative data sources to better understand Australia’s services exports with the view to developing a robust data asset that provides timely insight into the true value of the services sector.
Australian Bureau of Statistics | Industry recommendation 4A and 4C

5.1C
Conduct a survey of Australian Indigenous business participation in international trade and success in attracting foreign direct investment to help inform the work of Government in assisting Indigenous businesses participate in international markets.
Department of Foreign Affairs and Trade | Industry recommendation 4B

The Government and Industry will jointly:

5.1D
Conduct services sector specific surveys and studies to build on other data and information activities and build a better picture of services exports and international practice.
Australian Bureau of Statistics | Industry recommendation 4B

5.1E
Explore funding options to improve creative services exports data and research on the sector’s export potential and benefits to other industries.
Department of Foreign Affairs and Trade | Industry recommendation 4D
**Objective 5.2:**
Export market intelligence is collected and shared

The Government will:

5.2A
Develop and maintain the Non-Tariff Barrier Gateway website (www.tradebarriers.gov.au) for exporters to report international barriers to exporting.

*Department of Foreign Affairs and Trade | Industry recommendations 8A and 8B*

5.2B
Publish Market Insights profiling business conditions in more than 70 overseas markets.

*Department of Foreign Affairs and Trade | Industry recommendation 8A*

5.2C
Share market intelligence with peak industry bodies regularly on developments in offshore markets.

*Department of Foreign Affairs and Trade | Industry recommendation 8A*

The Government and Industry will jointly:

5.2D
Consolidate a comprehensive and prioritised list of international barriers to services exports, including formal market access barriers as well as ‘behind-the-border’ process, procedural, regulatory and cultural barriers.

*Department of Foreign Affairs and Trade | Industry recommendation 8A*

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**Objective 5.3:**
Businesses are aware of and use free trade agreement outcomes

The Government will:

5.3A
Promote business awareness and use of Australia’s free trade agreements.

*Department of Foreign Affairs and Trade | Industry recommendation 14B*

5.3B
Consult business and other stakeholders in relation to free trade agreement negotiations through regular stakeholder outreach.

*Department of Foreign Affairs and Trade | Industry recommendation 14B*

5.3C
Provide simple, clear and intuitive digital information on Australia’s growing network of free trade agreements, including on DFAT’s website and the FTA Portal.

*Department of Foreign Affairs and Trade | Industry recommendation 14B*

Industry will:

5.3D
Promote awareness and use of free trade agreements within their sector and provide information to Government on opportunities to increase outreach for the services sector.

*Industry recommendation 14B*
ANNEX 2: LIST OF INDUSTRY RECOMMENDATIONS AND GOVERNMENT RESPONSES

The interim report of the Services Exports Action Plan delivered in November 2019 outlined industry’s recommendations in three key areas, known as pillars: address domestic regulatory complexity; make progress on barriers overseas; and support services firms as they internationalise. These pillars provided a strong foundation for the formulation of the outcome-focused action plan in November 2020.

The matrix below lists all 72 industry recommendations and the Government response. The Government has Agreed to, Agreed-in-principle or Noted 64 industry recommendations and Not Agreed to 8. Each industry recommendation is cross-referenced to the relevant Action/s outlined in this report.
# PILLAR 1: ADDRESS DOMESTIC REGULATORY COMPLEXITY

<table>
<thead>
<tr>
<th>INDUSTRY RECOMMENDATION</th>
<th>ACTIONS</th>
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<tbody>
<tr>
<td><strong>1. Ensuring trade and investment issues are properly considered in policy-making processes</strong></td>
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<tr>
<td>1A The Government should strengthen the analysis and sectoral input made available to decision-makers in relevant domestic policy processes to ensure the impacts on trade and investment are able to be properly taken into account.</td>
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<tr>
<td>Government response: Agreed</td>
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<tr>
<td><strong>Action 2.2A</strong> The Government will strengthen analysis of trade and investment impacts in regulatory proposals.</td>
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<td><strong>2. Developing a program of national regulatory reform</strong></td>
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<tr>
<td>2A The Government should develop a program of national regulatory reform to deal with domestic regulatory impediments and inefficiencies.</td>
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<tr>
<td>Government response: Agreed-in-principle</td>
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<tr>
<td><strong>Action 2.1A</strong> The Government will reduce red tape, making it easier for business to invest and create jobs and assist COVID-19 economic recovery through the Deregulation Taskforce.</td>
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<td><strong>Action 2.1B</strong> The Government will pursue national regulatory reform with state and territory governments through the Council on Federal Financial Relations under National Cabinet.</td>
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<td><strong>Action 4.1G</strong> The Government will support innovation in regulation technology (RegTech) by providing critical early stage funding to SMEs.</td>
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<td><strong>3. Working towards national regulation of professions in Australia</strong></td>
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<tr>
<td>3A The Australian Government should drive national consistency in business requirements for professional services providers in partnership with professional services peak bodies. Consideration should be given to working with one professional services sub-sector first to create a model approach that could then be adopted by other professions.</td>
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<tr>
<td>Government response: Agreed</td>
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<td><strong>Action 2.1D</strong> The Government will improve occupational mobility in Australia to make it easier for people in licensed occupations to move their skills to where they are needed and enable businesses and consumers to access skilled workers more quickly by working with states and territories and industry.</td>
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<tr>
<td><strong>Action 2.1F</strong> Industry will improve national consistency between state and territory regulations for professional services to make it easier and cheaper to deliver services nationwide.</td>
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<tr>
<td>3B Recognising that there is no one Minister responsible for most professions, the Government should identify a champion to prosecute national consistency in business requirements for professional service providers through National Cabinet.</td>
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<tr>
<td>Government response: Agreed-in-principle</td>
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<tr>
<td><strong>Action 2.1B</strong> The Government will pursue national regulatory reform with state and territory governments through the Council on Federal Financial Relations under National Cabinet.</td>
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<tr>
<td>3C The Government should drive a coordinated approach among states and territories to regulation and standards in the resources sector.</td>
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<tr>
<td>Government response: Agreed-in-principle</td>
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<tr>
<td><strong>Action 2.1E</strong> The Government will improve national regulation of resources informed by recommendations put forward by the Productivity Commission study on Resources Sector Regulation.</td>
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<td>INDUSTRY RECOMMENDATION</td>
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<tr>
<td><strong>4. Improving the quality of data and statistics on services exports</strong></td>
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<tr>
<td><strong>4A</strong></td>
<td>The Australian Government should provide ongoing funding for the Australian Bureau of Statistics (ABS) to undertake regular services exports surveys and produce a national dataset, including earnings of Australian foreign affiliates. <em>Government response: Agreed</em></td>
</tr>
<tr>
<td></td>
<td><strong>Action 5.1A</strong> The Government will undertake regular services exports surveys and produce a national dataset, including earnings of Australian foreign affiliates.</td>
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<td><strong>Action 5.1B</strong> The Government will explore alternative data sources to better understand Australia’s services exports, with the view to developing a robust data asset that provides timely insight into the true value of the services sector.</td>
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<tr>
<td><strong>4B</strong></td>
<td>The Australian Government should work with industry to build on other activities (such as the Australian International Business Survey) and conduct a services sector specific survey to provide a snapshot that can be combined with existing ABS data to build a better picture of services exports and international practice. <em>Government response: Agreed</em></td>
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<td></td>
<td><strong>Action 5.1C</strong> The Government will conduct a survey of Australian Indigenous business participation in international trade and success in attracting foreign direct investment to help inform the work of Government in assisting Indigenous businesses participate in international markets.</td>
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<td></td>
<td><strong>Action 5.1D</strong> The Government and Industry will jointly conduct services sector specific surveys and studies to build on other data and information activities and build a better picture of services exports and international practice.</td>
</tr>
<tr>
<td><strong>4C</strong></td>
<td>The Australian Government should examine how alternative data sources could help to better understand Australia’s services exports, with the view to developing a robust data asset that provides timely insight into the true value of the services sector. <em>Government response: Agreed</em></td>
</tr>
<tr>
<td></td>
<td><strong>Action 5.1B</strong> The Government will explore alternative data sources to better understand Australia’s services exports, with the view to developing a robust data asset that provides timely insight into the true value of the services sector.</td>
</tr>
<tr>
<td><strong>4D</strong></td>
<td>The Australian Government and Industry should improve data on current creative services exports, impacts on other industries, and research on creative services export potential. <em>Government response: Agreed-in-principle</em></td>
</tr>
<tr>
<td></td>
<td><strong>Action 5.1E</strong> The Government and Industry will jointly explore funding options to improve creative services exports data and research on the sector’s export potential and benefits to other industries.</td>
</tr>
<tr>
<td><strong>5.1 Making it easier for services firms to access international talent</strong></td>
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<tr>
<td><strong>5.1A</strong></td>
<td>Commission an independent review of Australia’s skilled visa regime. Such a review should consider how to improve processes to engage business and education sector representatives in designing the skilled migration system, and how to better align visa rules with the service sector’s skills requirements. <em>Government response: Not agreed</em></td>
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<td></td>
<td><strong>No action.</strong> Numerous reviews of Australia’s skilled visa programs have been conducted in recent years including the 2014 Independent Review into Integrity in the Subclass 457 program. The Government’s reform package of 2017/2018 to strengthen the integrity and quality of the skilled migration programs was informed by this review and later reviews including: the 2016 Productivity Commission Inquiry Report: Migrant Intake into Australia; the 2016 Review of the Temporary Skilled Migration Income Threshold; and the 2016 Senate Inquiry: A National Disgrace: The Exploitation of Temporary Work Visa Holders. These reviews involved extensive consultation with individuals; academics; organisations and businesses that use employer sponsored visa programs; migration agents; representatives of foreign governments; and other government departments and agencies.</td>
</tr>
<tr>
<td><strong>5.1B</strong></td>
<td>Lift the restrictions on skilled migration to include people over the age of 50 to improve Australian services firms’ access to qualified personnel. <em>Government response: Not agreed</em></td>
</tr>
<tr>
<td></td>
<td><strong>No action.</strong> There are no age restrictions for Australia’s temporary skilled work visas. The Australian Government reduced the age limit from 50 to 45 years of age for permanent employer sponsored visas in 2017 and 2018. This was done to improve the economic contribution of skilled migrants to Australia, and is in line with the Productivity Commission’s recommendation to reduce the age limit for eligibility for permanent residency.</td>
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<tr>
<td>5.1B</td>
<td>...continued</td>
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<tr>
<td>5.1C</td>
<td>Continue to streamline the visa system to reduce complexity and costs for services firms when accessing international talent. Government response: Agreed</td>
</tr>
<tr>
<td>5.1D</td>
<td>Continue to pursue the recognition of Australian qualifications and professional recognition overseas, and in-demand foreign qualifications in Australia. Government response: Agreed</td>
</tr>
<tr>
<td>5.1E</td>
<td>Ensure Australia’s approach to education, training and skilling of its own workforce meets the skills needs of services exporters. Government response: Agreed-in-principle</td>
</tr>
<tr>
<td>5.1F</td>
<td>Continue the promotion of visas and programs to attracted skilled migration to ensure the effectiveness of the initiative. Government response: Agreed</td>
</tr>
<tr>
<td>INDUSTRY RECOMMENDATION</td>
<td>ACTIONS</td>
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<tr>
<td><strong>5.2. Domestic workforce meets the needs of industry</strong></td>
<td></td>
</tr>
<tr>
<td>5.2A Develop leadership in digital technology within Australia to drive transformational change across the services sector.</td>
<td><strong>Action 3.1D</strong> The Government will help to lift the digital capability of Australia’s business decision makers through Digital Directors Training to support organisational leaders with their digital strategy to drive digital transformation.</td>
</tr>
<tr>
<td>Government response: Agreed</td>
<td></td>
</tr>
<tr>
<td>5.2B Government should support industry-led campaigns at secondary schools and industry be visibly active in recognising and rewarding excellence in technical professions to promote technical careers, including in services export industries.</td>
<td><strong>Action 3.1B</strong> The Government will provide Australians with accurate and up to date career information and support, including a single authoritative source of careers information that provides simple, easy to navigate information to support decision making on career pathways.</td>
</tr>
<tr>
<td>Government response: Agreed</td>
<td><strong>Action 3.1F</strong> Industry will engage state and territory governments and non-government education authorities on secondary school campaigns to promote technical careers in services export industries.</td>
</tr>
<tr>
<td>5.2C Government should incentivise Australian universities to develop a new approach to ensure courses are directly relevant to the needs of Australian society and the economy, including services exports.</td>
<td><strong>Action 3.1A</strong> The Government will incentivise Australia’s education and training system to deliver job-ready graduates in the disciplines and regions they are needed most, including the needs of services exporters.</td>
</tr>
<tr>
<td>Government response: Agreed</td>
<td><strong>Action 3.1E</strong> The Government will work with industry and education providers to ensure cyber security careers pathways, education and training are delivering quality job-ready cyber security professionals.</td>
</tr>
<tr>
<td>5.2D Support employers to provide career pathways, training, apprenticeships and internships to attract students to careers in areas of identified skills need, including export-oriented services sectors.</td>
<td><strong>Action 3.1A</strong> The Government will incentivise Australia’s education and training system to deliver job-ready graduates in the disciplines and regions they are needed most, including the needs of services exporters.</td>
</tr>
<tr>
<td>Government response: Agreed-in-principle</td>
<td><strong>Action 3.1C</strong> The Government will enable more Australian jobseekers, workers and small businesses impacted by COVID-19 to up-skill and re-skill with industry non-accredited digital skills training options.</td>
</tr>
<tr>
<td><strong>6. Ensuring tax policy and advice support other efforts to drive financial services exports</strong></td>
<td></td>
</tr>
<tr>
<td>6A Develop accessible, user-friendly tools that give greater clarity to foreign investors on how they will be taxed in Australia (such as detailed ‘scenario-based’ taxation guides based around the categories of financial products specified in the APEC Asia Region Funds Passport).</td>
<td><strong>Action 2.2C</strong> The Government will continue to provide accessible and user-friendly information for foreign investors to Australia, Including through the websites of the Australian Tax Office, the Foreign Investment Review Board and Austrade.</td>
</tr>
<tr>
<td>Government response: Noted</td>
<td><strong>Action 2.2D</strong> The Government will continue to Chair the Tax Reference Working Group of the Asia Region Funds Passport to ensure collaboration and cooperation across participating Passport economies.</td>
</tr>
</tbody>
</table>
6B | Review the non-resident withholding tax regime to ensure its settings are internationally competitive.  
**Government response:** Noted

| **Action 2.2E** | The Government will monitor international tax developments to ensure Australia remains well placed and competitive to attract foreign investment, including monitoring Australia’s treaty network to ensure it remains appropriately aligned to our trading relationships, whilst maintaining tax system integrity. |

6C | Expand the number of Double Tax Agreements, including with major regional financial service hubs, and to support full use of Australia’s networks of Free Trade Agreements.  
**Government response:** Noted

| **Action 1.1H** | The Government will continue to consider whether Australia’s Double Tax Agreements appropriately support key bilateral trade relationships whilst maintaining tax system integrity. |

7. **Reviewing Australia’s prudential and licensing capital requirements for financial services exporters**

| 7A | The Australian Prudential Regulation Authority (APRA) should review prudential, licensing and capital requirements for Australian financial services exporters, with a view to ensuring regulatory arrangements do not unfairly prejudice the ability of these firms to establish an offshore commercial presence.  
**Government response:** Not agreed

| **No action.** | The Australian Prudential Regulation Authority’s (APRA) current review of prudential regulations is designed to ensure the strength of Australian banks’ capital position is more transparent which would promote their ability to establish operations and compete in offshore markets. The Government’s work in strengthening consumer protection, regulatory frameworks, and financial stability will provide Australian firms with the right environment to produce the efficient and competitive services that are in demand not just in Australia, but across the region and the globe. As such, the Government does not support the recommendation for another review of prudential, licensing and capital requirements. |

| 7B | The Australian Government should expand the Australian Securities and Investment Commission (ASIC) mandate, requiring it to consider the effect of decisions on the international competitiveness of Australian financial services firms offshore.  
**Government response:** Not agreed

| **No action.** | The Government does not support the expansion of mandate for the Australian Securities and Investment Commission (ASIC) envisaged in Recommendation 7(B). ASIC already has a mandate to consider the effects of its decisions on competition.  

The Government is also promoting competition in financial services through its work to promote the development of Australia’s ‘fintech’ industry, including the Australia-UK Fintech bridge, and funding for ASIC’s Innovation Hub. |

| 7C | Government to increase funding to Fintech and financial services regulators to empower proactive regulation and to support the adoption of Regtech solutions.  
**Government response:** Noted

| **Action 4.1D** | The Government will introduce an enhanced regulatory sandbox that provides a temporary licence waiver for FinTech firms to test the viability of certain kinds of new services and related products.  

**Action 4.1G** | The Government will support innovation in regulation technology (RegTech) by providing critical early stage funding to SMEs. |
## PILLAR 2: MAKE PROGRESS ON BARRIERS OVERSEAS

### INDUSTRY RECOMMENDATION

8. Developing an action list of barriers in foreign markets which affect the export of services

<table>
<thead>
<tr>
<th>Action 5.2A</th>
<th>The Government will develop and maintain the Non-Tariff Barrier Gateway website (<a href="http://www.tradebarriers.gov.au">www.tradebarriers.gov.au</a>) for exporters to report international barriers to exporting.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action 5.2B</td>
<td>The Government will publish Market Insights profiling business conditions in more than 70 overseas markets.</td>
</tr>
<tr>
<td>Action 5.2C</td>
<td>The Government will share market intelligence with peak industry bodies regularly on developments in offshore markets.</td>
</tr>
<tr>
<td>Action 5.2D</td>
<td>The Government and Industry will jointly consolidate a comprehensive and prioritised list of international barriers to services exports, including formal market access barriers as well as ‘behind-the-border’ process, procedural, regulatory and cultural barriers.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8B</th>
<th>Develop a user-friendly mechanism to encourage exporters to keep the industry-government developed comprehensive and prioritised list of international barriers to services exports accurate and current.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Response: Agreed</td>
<td></td>
</tr>
</tbody>
</table>

### ACTIONS

9. Advocating for cross-border data mobility and security, both domestically and internationally

<table>
<thead>
<tr>
<th>9A</th>
<th>Appoint a Minister for the Digital Economy to champion the interests of Australia’s digital trade, e-commerce and digital services in Australia and overseas, and represent them in policy discussions which have an impact on Australia’s international competitiveness.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Response: Noted</td>
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</table>

<table>
<thead>
<tr>
<th>Noted.</th>
<th>Every Minister in the Australian Government has a responsibility to champion Australia’s interests in digital trade and services where it pertains to their responsibilities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Minister for Industry, Science and Technology, the Hon Karen Andrews MP is responsible for technology and national digital economy issues. In addition, the Hon Senator Jane Hume was sworn in to the role of Minister for Superannuation, Financial Services and the Digital Economy on 22 December 2020. Minister Hume leads digital technology issues in the Treasury portfolio and plays an integrating role across government, supported by the Digital Technology Taskforce, which sits in the Department of the Prime Minister and Cabinet.</td>
<td></td>
</tr>
<tr>
<td>Minister Dan Tehan in his role for Trade, Tourism and Investment delivers on Australia’s digital trade. Minister Fletcher in his role for Communications champions digital services in Australia. Minister Robert in his role for Government services is committing to reforming government service delivery to ensure services are personalised and fit for the digital age. Minister David Littleproud in his role for Agriculture, is committed to ensuring widespread uptake of digital technologies across our agriculture, forestry and fisheries industries.</td>
<td></td>
</tr>
<tr>
<td>9B</td>
<td>Convene an informal non-government diplomacy channel to multiply the impact of the business community’s current efforts to support Australia’s global policy interests in digitally-enabled trade. <strong>Government Response: Agreed-in-principle</strong></td>
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<tr>
<td>9C</td>
<td>Encourage the development and harmonisation of high-quality digital standards with key trading partners, including through FTAs, in multilateral fora, and through regulator-to-regulator cooperation. This could include facilitating the development of international digital standards. <strong>Government Response: Agreed-in-principle</strong></td>
</tr>
<tr>
<td>9D</td>
<td>When negotiating trade agreements, the approach taken by Hong Kong and Australia in the recently negotiated Australia-Hong Kong FTA should serve as a model of how to lock in free cross-border data flows for the finance sector without mandatory local data storage requirements. <strong>Government Response: Agreed-in-principle</strong></td>
</tr>
<tr>
<td>9E</td>
<td>Accelerate the domestic implementation of the voluntary APEC Cross Border Privacy Rules, and promote greater understanding of their benefits, to improve the likelihood of these rules becoming the regional minimum standard. <strong>Government Response: Agreed</strong></td>
</tr>
</tbody>
</table>

| 10. Helping Australian professionals to practice in key markets without needing full registration |
|---|---|
| 10A | Relevant Australian regulators and industry associations should work with counterparts in key markets to develop a special category of professional recognition to allow international professionals to practice aspects of their profession in the host-country. **Government Response: Agreed-in-principle** |

| 11. Promoting Australian standards and regulatory best-practice |
|---|---|
| 11A | Strengthen Australia’s role in the standards development process and ensure sufficient transparency and opportunity for the services sector to engage in the process. **Government Response: Agreed-in-principle** |

<table>
<thead>
<tr>
<th>Action 1.2H</th>
<th>The Government and Industry will jointly promote business participation in major international forums to advance our interests in digital trade.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action 1.1A</td>
<td>The Government will pursue high-quality digital trade liberalisation and facilitation rules through free trade agreements and participation in the WTO, OECD, APEC and G20.</td>
</tr>
<tr>
<td>Action 1.1J</td>
<td>Industry will continue and intensify engagement in commercial diplomacy efforts offshore, to build mutual recognition of professional qualifications, greater alignment of financial regulations and enhanced interoperability of domestic regulations and standards, including digital standards.</td>
</tr>
<tr>
<td>Action 1.1A</td>
<td>The Government will pursue high-quality digital trade liberalisation and facilitation rules through free trade agreements and participation in the WTO, OECD, APEC and G20.</td>
</tr>
<tr>
<td>Action 2.2B</td>
<td>The Government will accelerate processes to assess the APEC Cross Border Privacy Rules system and implement the system domestically if it makes sense to do so.</td>
</tr>
<tr>
<td>Action 1.1L</td>
<td>The Government and Industry will jointly increase the international mobility of professionals with key export markets by establishing mutual recognition arrangements of professional licensing and registration, and pathways for foreign professionals to practice for a limited time or in a limited capacity.</td>
</tr>
<tr>
<td>Action 1.2A</td>
<td>The Government will support Australian participation in the development of international standards that could have a direct impact on Australian industry and exporters, including involvement by industry experts.</td>
</tr>
<tr>
<td>Action 1.2D</td>
<td>The Government will advocate open telecommunications standards in international and regional standard setting bodies that support an efficient, interoperable and interconnected global network, including the International Telecommunication Union.</td>
</tr>
<tr>
<td>Action 1.2G</td>
<td>The Government and Industry will work with Standards Australia to identify Australia’s interests in the development of international standards and opportunities for Australia to engage.</td>
</tr>
<tr>
<td>INDUSTRY RECOMMENDATION</td>
<td>ACTIONS</td>
</tr>
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</tbody>
</table>
| **11B** | Ensure sufficient support for Australian business involvement in the international standards setting processes.  
**Government Response: Agreed-in-principle** |
| | **Action 1.2A** The Government will support Australian participation in the development of international standards that could have a direct impact on Australian industry and exporters, including involvement by industry experts.  
**Action 1.2G** The Government and Industry will work with Standards Australia to identify Australia’s interests in the development of international standards and opportunities for Australia to engage. |
| **11C** | Encourage greater regulator-to-regulator cooperation to promote the adoption of consistent regulatory approaches in our region (ideally, similar to or compatible with Australia’s). This is particularly important in areas of new opportunity.  
**Government Response: Agreed-in-principle** |
| | **Action 1.2B** The Government will promote international regulatory cooperation and coherence through Australia’s bilateral exchanges, the Australian free trade agreement agenda, Aid for Trade / economic co-operation activities, as well as engagement in APEC and G20.  
**Action 1.2C** The Government will support capacity building projects in the Indo-Pacific to encourage the harmonisation of international standards and the adoption of Australian regulatory approaches. |
| **11D** | The Australian Government should continue to invest in capacity development in our region to help developing countries both adopt international standards and participate in international standards development.  
**Government Response: Agreed-in-principle** |
| | **Action 1.2B** The Government will promote international regulatory cooperation and coherence through Australia’s bilateral exchanges, the Australian free trade agreement agenda, Aid for Trade / economic co-operation activities, as well as engagement in APEC and G20.  
**Action 1.2C** The Government will support capacity building projects in the Indo-Pacific to encourage the harmonisation of international standards and the adoption of Australian regulatory approaches. |
| **11E** | The Australian Government and industry to promote Australia’s copyright administration, regulations and enforcement procedures abroad, and pursue greater regional harmonisation of effective copyright law and enforcement in digital content-sharing platforms.  
**Government Response: Agreed-in-principle** |
| | **Action 1.1B** The Government will pursue effective and balanced protection and enforcement of intellectual property rights in our region that promotes Australia’s intellectual property administration, regulations and enforcement procedures abroad, including in free trade agreements and the World Intellectual Property Organization.  
**Action 1.1K** Industry will work with rights owners and affiliated copyright collecting societies in the region to facilitate cross-border licensing of creative content. |
| 11F | Government identify and facilitate opportunities to promote the adoption of Australia’s standards and regulations overseas in areas where they are recognised as international best-practice.  
**Government Response: Agreed-in-principle** |
| 12A | Led by Treasury and ASIC, seek to negotiate bilateral financial services regulatory cooperation arrangements with China, Japan and the Republic of Korea, to facilitate and implement agreed FTA market access commitments in the cross-border provision of portfolio administration and insurance services.  
**Government Response: Agreed-in-principle** |
| 12B | Seek to negotiate bilateral cooperation agreements between ASIC, APRA and the ATO and their counterparts in China, Japan and the Republic of Korea to allow a wider range of wholesale (business-to-business) activities.  
**Government Response: Agreed-in-principle** |
| 12C | Prioritise passage of the Corporate Collective Investment Vehicle Bill as a recognised investment vehicle that can be marketed under the Asia Region Funds Passport.  
**Government Response: Agreed-in-principle** |
| 12D | Use APEC forums to seek an expansion in the membership of the Asia Region Funds Passport and actively explore opportunities for interoperability with the similar European Union (UCITS) and ASEAN (CIS) passport schemes.  
**Government Response: Agreed-in-principle** |
| 12E | Increase, expand and accelerate capacity-building projects which focus on financial services regulation in the APEC region.  
**Government Response: Agreed-in-principle** |
| 12F | Government continue to address international regulatory barriers to trade in financial services via multilateral and bilateral mechanisms including trade agreements and capacity building.  
**Government Response: Agreed** |

**Action 1.1C** The Government will continue to promote and support regulatory cooperation frameworks for trade in financial services, including through free tree trade agreements and multilateral fora.

**Action 1.1D** The Government will support ASIC and APRA to promote Australian and international standards for financial regulation through the International Organisation of Securities Commissions, Basel Committee on Banking Supervision, Financial Stability Board, and arrangements with key markets, including China, Japan and the Republic of Korea.

**Action 1.1E** The Government will lead and contribute to financial regulation capacity building in the Indo-Pacific, including sharing of best-practice in digital delivery and regulation of financial services.

**Action 1.1F** The Government will finalise the development of the Corporate Collective Investment Vehicles Legislation.

**Action 1.2C** The Government will support capacity building projects in the Indo-Pacific to encourage the harmonisation of international standards and the adoption of Australian regulatory approaches.

**Action 1.2E** Industry will develop a list of priority Australian standards and regulations recognised as international best-practice and priority markets in which to promote them.

**Action 1.2F** The Government and Industry will jointly use Industry Growth Centres to promote best-practice Australian and international standards through the Growth Centres’ international networks.

**Action 1.2G** The Government and Industry will work with Standards Australia to identify Australia’s interests in the development of international standards and opportunities for Australia to engage.
## PILLAR 3: SUPPORT SERVICES FIRMS AS THEY INTERNATIONALISE

<table>
<thead>
<tr>
<th>Industry Recommendation</th>
<th>Actions</th>
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<tbody>
<tr>
<td><strong>13. Developing a strong narrative and brand, linking with the Nation Brand to support Australian services firms in new markets</strong></td>
<td></td>
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<tr>
<td><strong>13A</strong> Develop a Government and industry-led services narrative to support the promotion of Australian services overseas, with an emphasis on the internationally recognised capability of Australian services firms, their collaborative nature, and their innovative and solutions-driven ethos. This should include identifying and promoting points of excellence and success stories in the Australian services sector and highlight specific expertise. <strong>Government Response: Agreed</strong></td>
<td><strong>Action 4.3A</strong> The Government will deliver an Industry-led, government-enabled Nation Brand that supports the whole spectrum of Australian services capabilities and allows services exporters to adopt the Nation Brand when promoting their service offerings internationally. <strong>Action 4.3B</strong> The Government will deliver a range of resources and assets for Australian services businesses and industries to access to help them grow their business, and align themselves with the Australia brand when promoting their services overseas. <strong>Action 4.3C</strong> The Government will enhance support for Australian FinTechs to gain a foothold in international markets to encourage foreign investment and job creation in Australia. <strong>Action 4.3E</strong> The Government and Industry will jointly develop a consistent, unifying look and narrative to support the promotion of Australian services overseas and help shift international perceptions of Australian services capability and businesses.</td>
</tr>
<tr>
<td><strong>13B</strong> The Australian Government should ensure Australia’s Nation Brand initiative captures and supports the whole spectrum of Australian services capabilities and allows services exporters to leverage the Nation Brand to promote their service offerings. <strong>Government Response: Agreed</strong></td>
<td><strong>Action 4.3A</strong> The Government will deliver an Industry-led, government-enabled Nation Brand that supports the whole spectrum of Australian services capabilities and allows services exporters to adopt the Nation Brand when promoting their service offerings internationally. <strong>Action 4.3B</strong> The Government will deliver a range of resources and assets for Australian services businesses and industries to access to help them grow their business, and align themselves with the Australia brand when promoting their services overseas.</td>
</tr>
<tr>
<td><strong>13C</strong> Encourage industry to develop a ‘Creative Industry Export Strategy’. <strong>Government Response: Agreed</strong></td>
<td><strong>Action 4.3D</strong> The Government will encourage industry to develop a Creative Industry Export Strategy.</td>
</tr>
<tr>
<td><strong>13D</strong> The Government support trade promotion in key markets during COVID-19 using diplomatic channels to promote Australian services in key markets and supporting industry-led virtual trade missions and virtual symposiums. <strong>Government Response: Agreed</strong></td>
<td><strong>Action 4.3C</strong> The Government will enhance support for Australian FinTechs to gain a foothold in international markets to encourage foreign investment and job creation in Australia. <strong>Action 4.3F</strong> Government and Industry will jointly support the promotion of Australian services in key markets during COVID-19 and recovery using diplomatic channels, and industry-led virtual trade missions and virtual symposiums.</td>
</tr>
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</table>
### 14. Providing information on services outcomes in FTAs, and advice on how to use them

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Description</th>
<th>Action Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>14A</td>
<td>With input from the financial services sector, DFAT should review the extent to which information from Treasury, ASIC and APRA is captured in the FTA Portal, with a view to providing more comprehensive and consolidated information for financial services exporters.</td>
<td>No action. The FTA Portal provides easy to access information relating to trading goods and services using Australia’s in force free trade agreements. The recommendation is beyond the scope and design of the FTA Portal, because it proposes to go beyond FTA-related services information and include information on domestic regulations and laws (which would be most useful for service imports into Australia, rather than exports). If this recommendation was adopted it would make the FTA considerably more costly and difficult to keep up to date, and more complex for users to easily access information.</td>
</tr>
</tbody>
</table>
| 14B | DFAT and Austrade should work with regulators and industry bodies to increase FTA-related outreach and training for the services sector, delivered both in-person and through digital platforms. | Action 5.3A The Government will promote business awareness and use of Australia’s free trade agreements. 
Action 5.3B The Government will consult business and other stakeholders in relation to free trade agreement negotiations through regular stakeholder outreach. 
Action 5.3C The Government will provide simple, clear and intuitive digital information on Australia’s growing network of free trade agreements, including on DFAT’s website and the FTA Portal. 
Action 5.3D Industry will promote awareness and use of free trade agreements within their sector and provide information to Government on opportunities to increase outreach for the services sector. |
| 14C | Ensure creative services and ‘born global’ industries are factored into Government information portals. | Action 4.2A The Government will improve Government information portals on export assistance and information provided by the Australian Government as well as state and territory governments. |

### 15. Doing more to promote and develop Australia’s cyber-security sector

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Description</th>
<th>Action Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>15A</td>
<td>Industry and government should work jointly to build a coalition of support at home and overseas to advocate for Australia’s cybersecurity capabilities and interests.</td>
<td>Action 4.3G The Government and Industry will jointly build a coalition of support at home and overseas to advocate Australia’s cybersecurity capabilities and interests.</td>
</tr>
<tr>
<td>15B</td>
<td>Ensure Australia has ready access to the best tech talent. In addition to recommendation 5A, one option could be to expand the New Colombo Plan to facilitate technology-focused learning exchanges with USA.</td>
<td>No action. The Government has a range of initiatives to ensure Australia has an adequate pool of skilled cyber security talent to draw on. This includes $50 million from the Australian Government over seven years, from 2018 to establish the Cyber Security Cooperative Research Centre (CSCRC). Among its objectives, the CSCRC aims to attract, inspire, mentor and develop the next generation of cyber security professionals by offering promising students scholarships through participating universities. The Government also established AustCyber, a not-for-profit-company established through the Government’s Industry Growth Centres Initiative. Its aim is to grow Australia’s cyber security sector, and it includes a program of work that focusses on collaborating across the education system to help address the workforce shortage by building the pipeline of skilled cyber security professionals that Australian employers need.</td>
</tr>
<tr>
<td>INDUSTRY RECOMMENDATION</td>
<td>ACTIONS</td>
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<tr>
<td><strong>16. Developing a coordinated voice to represent Australian e-commerce</strong></td>
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</table>
| **16A** Encourage the establishment of an industry-led body to develop a stronger narrative about why e-commerce is good for Australia, particularly for regional Australia, and promote awareness of e-commerce issues. This body could be an industry focal point for engagement in our region. | **Action 2.2F** Industry will establish a body to develop a stronger narrative about why e-commerce in services and digital trade is good for Australia.  
**Action 2.2G** Industry will develop an industry position paper on digital trade. |
| **Government Response: Agreed-in-principle** | |
| **16B** Establish a mechanism for Government to have continuous consultation with industry on e-commerce policy issues. | **Action 2.2H** The Government and Industry will jointly establish a mechanism for continuous consultation with industry on digital business policy issues. |
| **Government Response: Agreed** | |
| **16C** Recognise the centrality of e-commerce to the creative services industries and ensure appropriate representation in industry and government processes in developing e-commerce and digital trade policy. | **Action 2.2H** The Government and Industry will jointly establish a mechanism for continuous consultation with industry on digital business policy issues. |
| **Government Response: Agreed** | |
| **17. Helping services firms access existing export support** | |
| **17A** Develop an interactive map, or ensure the Global Business Support Finder can catalogue all available Commonwealth, State and Territory, not for profit, and industry export assistance and information programs, and ensure this stays up to date. | **Action 4.2A** The Government will improve Government information portals on export assistance and information provided by the Australian Government as well as state and territory governments. |
| **Government Response: Agreed-in-principle** | |
| **17B** Undertake targeted outreach to ensure that current and aspiring services exports are aware of these tools. In doing this, the Australian Government should collaborate with professional associations and other non-government partners. | **Action 4.2B** The Government will undertake targeted outreach to ensure that current and aspiring services exporters are aware of export assistance and information.  
**Action 4.2F** Industry will provide feedback to Government on the appropriateness of services export support schemes and assist Government outreach on export assistance by disseminating relevant information via professional and industry associations and non-government networks. |
| **Government Response: Agreed** | |
| **17C** Grants models for schemes such as the Export Market Development Grants should be redesigned to reflect the needs of innovative and ‘born global’ services firms. | **Action 4.2D** The Government will reorient and simplify the Export Market Development Grants program to provide SMEs with funding certainty before they embark on marketing activities. |
| **Government Response: Agreed-in-principle** | |
| **17D** Increase awareness among creative industries of Austrade’s global landing pads to support innovation in exports. | **Action 4.2G** The Government and Industry will jointly create greater awareness of how Landing Pads can support Australian start-ups overseas, including in creative industries. |
| **Government Response: Agreed** | |
| **17E** Government to implement fit for purpose capital injection to support digital transformation in services. | **Action 4.1E** The Government will support the private sector to invest in 5G trials and testbeds to demonstrate commercial 5G use cases in Australia.  
**Action 4.1G** The Government will support innovation in regulation technology (RegTech) by providing critical early stage funding to SMEs. |
| **Government Response: Agreed-in-principle** | |
| 17F | The Government should extend grant limits and raise the revenue threshold of the Export Markets Development Grant (EMDG) scheme to support established firms enter new and challenging markets overseas. **Government Response: Not Agreed** |
| 17G | Consider whether Export Finance Australia’s role linking Australian suppliers to projects it finances could be further enhanced and optimised to create more opportunities for Australian firms. **Government Response: Not Agreed** |
| 18. Harnessing Australia’s quality health services to innovate and springboard exporters | **Action 4.1C** The Government will extend COVID-19 telehealth arrangements and reform the Medicare Benefits Schedule (MBS) to remove barriers to the delivery of telehealth services. |
| 18A | Support the removal of unintended barriers to services by continuing the arrangement that allow Australians to access Medicare-subsidised telehealth services past September 2020. **Government Response: Agreed** |
| 18B | The Australian Government to prioritise broad-based reform of the Medical Benefits Schedule (MBS) to remove barriers to delivering health services through digital and connected platforms. **Government Response: Agreed-in-principle** |
| 18C | Establish a regulatory sandbox that allows health services firms to offer low-risk health services and digital tools to controlled markets; providing an early market test for safety, efficacy, economics and enabling pre-market surveillance for regulators. **Government Response: Not Agreed** |

**No action.** In October 2019, the Minister for Trade, Tourism and Investment appointed Mrs Anna Fisher to lead an independent review of the EMDG scheme and of financial assistance to SME exporters. This review was asked to consider the most effective and efficient way to deliver financial assistance to Australia SME exporters to encourage additional export development and promotion activities.

The terms of reference for the review included consideration of the best time in an export journey to target financial assistance in order to change exporter behaviour, the types of assistance for businesses along their export journey, and how this assistance can complement other export advisory services or other export market development incentives.

The Reviewer is expected to provide her report soon to the Minister, for his consideration.

**Action 4.2C** The Government will support Export Finance Australia to create more opportunities for Australian firms to participate in the resources projects it supports, consistent with relevant international obligations.

**No action.** In October 2019, the Minister for Trade, Tourism and Investment appointed Mrs Anna Fisher to lead an independent review of the EMDG scheme and of financial assistance to SME exporters. This review was asked to consider the most effective and efficient way to deliver financial assistance to Australia SME exporters to encourage additional export development and promotion activities.

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The Reviewer is expected to provide her report soon to the Minister, for his consideration.

**Action 4.1C** The Government will extend COVID-19 telehealth arrangements and reform the Medicare Benefits Schedule (MBS) to remove barriers to the delivery of telehealth services.
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<td><strong>Action 4.1H</strong> The Government will review the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit of both businesses and consumers.</td>
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<td><strong>Action 4.1K</strong> The Government and Industry will jointly develop tools to manage added liability from risks associated with digital rather than face-to-face transactions.</td>
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INDUSTRY RECOMMENDATION ACTIONS

18. Harnessing Australia's quality health services to innovate and springboard exporters

D The Australian Government to prioritise broad-based reform of the Medicare Benefits Schedule (MBS) to remove barriers to delivering health services through digital and connected platforms.

Government Response: Noted

Action 4.1D The Government will engage universities, research institutes and the health sector to boost collaboration and innovation in health services through MTPConnect.

E Australian Government to facilitate access for health services providers to capacity building funds through the Australian Aid Program and other international funding streams.

Government Response: Agreed-in-principle

Action 4.2E The Government will consider Australian service providers for health capacity building projects in Australia’s overseas development assistance program in line with development principles.

19. Supporting innovation in services exports in an increasingly digital world

A Government supports accelerators, incubators and other cluster development initiatives for services sectors, including in regional centres.

Government Response: Agreed

Action 4.1A The Government will support accelerators, incubators and other cluster development initiatives for services sectors, including in regional centres.

Action 4.1G The Government will support innovation in regulation technology (RegTech) by providing critical early stage funding to SMEs.

B Government assist industry to identify and accelerate the adoption of innovations in online service delivery.

Government Response: Agreed-in-principle

Action 4.1B The Government will help industry identify and accelerate the adoption of innovations in remote/digital service delivery.

Action 4.1E The Government will support the private sector to invest in 5G trials and testbeds to demonstrate commercial 5G use cases in Australia.

Action 4.1F The Government will accelerate deployment of 5G infrastructure by improving the allocation and management of spectrum.

Action 4.1H The Government will review the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit of both businesses and consumers.

C Government supports industry develop tools to manage added liability from higher risks associated with digital rather than face-to-face transactions.

Government Response: Agreed-in-principle

Action 4.1H The Government will review the regulatory architecture applying to the payments system to ensure it remains fit for purpose and is capable of supporting continued innovation for the benefit of both businesses and consumers.

Action 4.1K The Government and Industry will jointly develop tools to manage added liability from risks associated with digital rather than face-to-face transactions.