



10 November 2020

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
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Via email: rrat.sen@aph.gov.au

EXPORT MARKET DEVELOPMENT GRANTS LEGISLATION AMENDMENT BILL 2020

Experience Co Limited is an adventure tourism company founded in 1999 with the vision of becoming the largest and most respected adventure tourism company in the world. Experience Co offer adventure experiences of tandem skydiving, indigenous experiences and tours to the Great Barrier Reef. It currently has numerous locations throughout Australia and New Zealand.

Tropical North Queensland is one of Australia's most significantly impacted regions, recognised in the Regional Tourism Recovery package and through the generous support of the Commonwealth Government for the region and our sector. To the year end June 30 the region has lost an estimated \$750M in visitor expenditure, with the year-end total expected to reach \$2.2B by December, impacting on as many as 11,700 jobs. Half of this impact is from the loss of international visitor spend. Businesses that have relied on the EMDG.

The Export Market Development Grants (EMDG) scheme is a valuable and respected government support program which delivers a net positive benefit to the Australian economy. Thousands of tourism exporters have accessed EMDG since its inception which in turn has provided support and certainty for business planning, fostered export market diversity and generated significant export earnings for Australia.

The recent review of the EMDG scheme was conducted with strong industry consultation and identified ten recommendations for reform. Many of the recommendations have merit, and Experience Co supports their intent, particularly the retention of the scheme and linking eligibility to capability.

However, several recommendations for reform involve changes to eligibility 'rules' and the way in which an application for funding support is lodged. The most significant issue raised is the lack of detail which will underpin the 'rules' of the new EMDG.

As the new rules underpinning the program have not yet been finalised, along with the uncertainty of border closures, is causing a growing sense of unease for businesses and the tourism export industry in general. It is difficult for Experience Co to actively support the proposed changes when there is no visibility of the rules or their impacts on businesses in our region.



With international borders closed for the foreseeable future, it will be important for government support programs to be relevant and appropriate when borders do re-open: the strong industry feedback is that now is not the time to change an exporter support program when there is still so much uncertainty for tourism exporters.

Experience Co recommends the Senate Sub-Committee reviewing the legislation:

- Delay any changes to legislation until the rules underpinning the scheme are made public;
- Fast-track development of the rules and supporting mechanisms to allow for timely public consultation; and
- Review the proposed arrangements relating to 'new markets' until such times as the timeframe and staging of international market travel restrictions are better known.

Further, the region has sought the support of the Commonwealth Government to provide further support to tourism businesses in our region seeking to re-engage our international trade partners by resetting the eligibility for EMDG for those who have already used their eight (8) years of funding support. Many of these businesses are the stalwarts of our sector and have the greatest ability to restart the flow of international travel back to Australia.

Yours Sincerely

John O'Sullivan
Chief Executive Officer