



15 October 2020

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Re: Export Market Development Grants Legislation Amendment Bill 2020 [provisions]

That the current EMDG rebate system works well and that changing it will adversely impact on our business.

Our company exports services by the delivery of conferences & exhibitions for the retail industry. Additionally, we also work contract for companies to deliver events in the USA. We currently employ 7 fulltime staff in Australia and generate over \$500,000 in export income.

We have received 6 exports grants to date that has helped us build a solid foundation in the North American market that is just starting to pay dividends. The grants have been critical for helping us market our services that has resulted in higher export sales and helped us grow our team from 2 to 7 people over the period.

Under the new rules we will not be able to meet the criteria for USA market and is not realistic for our business needs. Additionally, it provides no incentive for our business to enter into new markets. We need to make decisions as soon as opportunities arise, and the proposed legislation makes it difficult to do so and provides no certainty that Austrade will approve new activates that we identify as an Australian business.

Our inability to claim will result in in decreased marketing spend as the business has to bare 100% of the costs which will lead to lower export sales, employment and expansion.

The existing rules work, the proposed 3 tier approach isn't applicable to our business model and I suspect, many other Australian exporters.

The current system allows flexibility to market to whatever country we see fit and provides a framework for 8 years, so our business gets to make its own decisions.

Please reconsider these changes that will affect many Australian businesses.

 PHILIP LEAHY
CHIEF EXECUTIVE OFFICER
Verosafe Pty Ltd.

