

ASSOCIATION OF AUSTRALIAN
CONVENTION BUREAUX INC.

THE ASSOCIATION BEHIND THE
BUREAUX WHO MARKET AUSTRALIA
FOR BUSINESS EVENTS

30th May 2013

Committee Secretary
Senate Foreign Affairs, Defence and Trade Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Dr Dermody

Inquiry into Export Market Development Grants Amendment Bill 2013

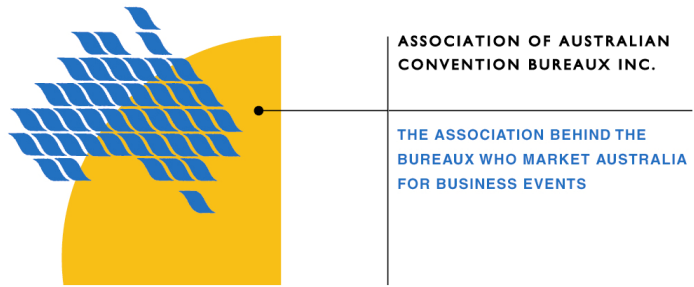
The Association of Australian Convention Bureaux Inc. consists of 17 city and regional bureaux, dedicated to marketing their specific region as premier Business Events destinations to intrastate, interstate and international markets. The bureaux also recognise their responsibility to promote Australia as a whole.

In 2011/12, Australia's leading convention bureaux won and assisted the placement of 456 international business events for Australia. These events are expected to attract 149,475 delegates for 609,385 visitor nights, with an economic benefit of \$385.2 million.

Tourism Research Australia estimated that there were 19.4 million international and domestic travellers attending business events in Australia during 2011, representing 42.3 million visitor nights and \$12.6 billion in expenditure. Furthermore, business events:

- Deliver highest daily visitor spend
- Disperse visitors across regional Australia through satellite meetings and pre/post touring
- Fill hotel beds and airline seats during off-peak leisure times
- Bring world's best practice to Australia
- Promote innovation through collaboration and networking face-to-face
- Deliver education and skills training
- Encourage trade in Australian products and services; and
- Lift Australia's profile on the international scene in specific professions, trades and industries.

Although Australia is currently on track to reach the Tourism 2020 targets set for business events, with an expected economic benefit of \$16 billion, the emergence of new destinations in the Middle East and Asia, with government cheque books to match, cannot be overlooked. The increased competitive nature of convention bidding and the closure of the Sydney Convention & Exhibition Centre over the next few years will put a greater spotlight on delegate boosting to achieve this target.



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The AACB is concerned that there appears to be a reduction in the number of grants most businesses can receive under the amendment Bill. This will impact on the ability of smaller exporters to achieve export success.

The AACB does agree with the amendment for grants to be paid more quickly, however, recommends that this be taken further to ensure that both the grant determination for Approved Body submissions and full payment of the subsequent grant be made within the financial year following the grant year. Many EMDG applications for the grant year 2010/11 made by convention bureaux, were not determined or paid until 2012/13 making it extremely difficult to plan international marketing activities into the future.

It should also be highlighted that the Federal Government has not yet responded to AACB concerns of Austrade's changed approach to the assessment of its members' EMDG applications, where some State's convention bureaux are having their grant substantially reduced by the proportion of source funding that is obtained by local or state government.

Australia's Convention Bureaux also work closely with Professional Conference Organisers (event promoters) to increase international delegate numbers attending conventions held in Australia via delegate boosting initiatives. The removal of 'event promoters' from this scheme will reduce the assistance and support provided to an important part of the business events sector.

The AACB believes that the proposed amendment will have significant impact resulting in fewer international delegates for Australia and therefore reduced export revenue, and a reduction in all the indirect benefits brought to the economy by business events. At a time when current global economic conditions and a high AUD make Australia a less attractive long haul destination, now is not a time to be reducing support for delegate boosting activities.

Thank you for providing the opportunity to comment on the EMDG Amendment Bill.

Yours sincerely

Damien Kitto
President