

16<sup>TH</sup> JANUARY 2013

To the Senate Review Company ,

**RE : CHANGES TO THE EMDG (EXPORT MARKET DEVELOPMENT GRANTS)**

It has recently come to our attention that there is a proposed change to the EMDG from July 2013 that will have an incredibly negative impact on any small to medium tourism business where Europe , UK, USA and Canada are the core international markets of the business.

The EMDG normally allows 7 years ( some companies have had 8 years ) of assistance in the International marketing for their tourism business.

We operate two Great Barrier Reef tours from Cairns :

Ocean Free – Sail to Green Island + the GBR

Ocean Freedom – Cruise to Upolu Cay Reef & Outer Edge Upolu Reef

We have been operating since 1992 and have, like all other tourism companies, experienced the highs and lows but have managed to be one of the few small – medium tourism operators who have survived the last 5 years of tourism in Cairns. This has been through sheer hard work and active marketing .

In order to survive we started 5 yrs ago to actively market the inbound market and employed an international marketing consultant to assist us. With any small to medium sized tourism business one must chose what specific market to actively pursue . It is impossible and outside any small-medium business financially and time wise to pursue both a Western and Asian Market so one must chose which market to pursue – we have always had a Western market . When we started to actively target the European , USA, Canadian market we were informed by more longstanding tourism companies and also by our marketing consultant that to make any inroads into any international market requires dedication and persistence over many years – many quoting 5-8 years just to start to be successful in these markets.

In the last year ( our 5<sup>th</sup> year ) we have just started to consolidate some of the European markets and are only now starting to see increased support from this market – it takes many years of establishing contacts and convincing them to trust and support a product .

We had expected another 2 years of assistance to continue and cement all our new contacts and bookers . A stop in the financial assistance to continue our Western marketing over the next few years would be devastating to our company and a wasted 5 years of hard work where all our “ground work “ over the last 5 years was to be consolidated over the next few years.

We applaud any marketing grants to companies which actively market international clients to the area. However we feel it is a gross injustice to take the grant off those companies who do not have an Asian market and whose European , USA, Canadian market is essential to the survival of the company. This market is also extremely essential to the region's economy and we find it shocking that the international Western market is deemed not important enough to warrant an EMDG

Tourism in our Northern region relies on ALL markets – Western and Asian . Many bigger companies already have established their Western markets and therefore can financially pursue the newer Asian market while still being financial enough to maintain their Western market.

Small – medium businesses do not have the finances or staff to pursue both markets .We have a product that is very much suited to the Western market. We agree that different cultures demand different ways of marketing one's business and this is also evident within the Asian and Western countries. However despite the uniqueness of each market the time needed to market and establish relationships and to be accepted as a serious, trustworthy operator takes many years regardless of whether one is marketing Asia, Europe or America.

It is important that tourism products attract both the Eastern and Western markets and that both these markets continue to be actively marketed in the future . We feel it unjust to penalise those operators who have chosen to have a predominately Western market. We hope those concerned in these proposed changes will see the profound injustice of these changes to businesses such as ours and will allow us and other businesses in our situation to continue to have our well deserved EMDG assist us in our Western Marketing as it has assisted other companies in years prior to these proposed changes.

Yours sincerely,

Perry Jones / Taryn Agius

Owner/ Operators  
Ocean Free and Freedom  
Cairns Premier Reef & Island Tours