

25 May 2018

The Hon. Steven Ciobo MP  
Minister for Trade, Tourism & Investment  
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By email: Steven.Ciobo.MP@aph.gov.au

Dear Minister

Thank you for your letter of 17 April, and for your commitment to progressively restoring funding for the EMDG scheme.

It was disappointing that no additional funding was announced in the May Budget.

The need is now – and the benefits to the economy are clear and substantial – and will likely deliver what is needed to improve the budget.

In your letter you refer to having “*already provided an initial \$50 million boost*”. On behalf of exporters (and particularly grant applicants), can I put this in context;

- These funds were by way of \$12.5 million per annum
- That amount only partially redressed the reduction made by the Gillard government the previous year – that year became the lowest funding in 20 years, but it had no practical effect because there was a carry-over of funding from the prior year, probably due to the lag effect of the GFC on spending by exporters on marketing. Exporters still received their full grants.
- For the past 3 years (under the Coalition government), exporters have NOT received their full grants.
- The trend has been downwards each year
- This year is predicted to be the lowest overall percentage payout in 20 years.
- The total funding in the scheme this year is \$137.9 million – which is the lowest in 20 years (other than the 1 year mentioned above).

The funding for EMDG over the past 20 years has been;

Years	Funds - \$million
1997 to 2007	150
2007/08 and 2008/09 grant years ( 08/09 and 09/10 financial years)	200
2011/12 grant year	125.4
2012/13 grant year onwards	137.9

Unless more funding is provided for this year’s grant payments, it is likely that exporters will receive as little as 30 cents in the dollar next month.

This will undermine confidence in the scheme, and likely affect many applicants ability to fund overseas marketing efforts in coming months.

I note you were in China last week, and attended a major food sector trade fair. Many of the 60 plus Australian exhibitors you met will be current or past EMDG applicants, and some will be planning to apply next year for a rebate of their spending at the trade fair.

Please "top up" the EMDG funding now and for next year so that applicants receive the full rebate under this valuable program.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Philip Litton', with a stylized flourish at the end.

PHILIP LITTON  
DIRECTOR