

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION**

Ms J Carney

to Chief Minister

Export Market Multiplier Factor

Austrade has publicly supported its claim that the multiplier factor of export assistance grants from its Export Market Development Grants Scheme are in the order of \$12 of export value for every \$1 of EMDG grant:

1. What is the equivalent effectiveness benchmark for TSS?

ANSWER

- Austrade's claim of \$12 of export value for every \$1 of EMDG grant was made as part of a formal evaluation study of the scheme undertaken in 2000.
- The claim was made at a time when the scheme's impact on export revenue was being discussed.
- Subsequent to the claim the Australian Parliament agreed that under the provisions of the 'Export Market Development Grants Amendment Bill 2003' that the EMDG scheme is not explicitly about export impact. It is about assisting firms into foreign markets through export marketing and promotion.
- The Territory's Trade Support Scheme is designed to assist Territory businesses who do not qualify or who do not wish to apply for EMDG to undertake export marketing activities.
- TSS has been tested against Australia's obligations to the WTO and was found to not be in conflict with those obligations.
- The effectiveness of TSS is not tied to the achievement of export revenue.
- To measure the effectiveness of TSS against export value is wrong and in breach of Australia's obligations to the WTO.
- A measure of effectiveness for TSS has been the uptake of the scheme since its inception. To October 2005, 250 applications have been received for TSS. That is 250 new trade and export opportunities being worked on.
- TSS has also been effective in encouraging businesses from all industry sectors of the Northern Territory to apply for assistance. The primary industries, services and tourism sectors have been the highest utilisers of TSS.