

Tasmanian Agricultural Productivity Group Ltd

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Freight Logistics Coordination Team

Department of Infrastructure, Energy & Resources

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Submission in Response to Issues Paper

Introduction

TAPG directly represents the industry processing and related agri-business service providers. It is registered with ASIC as a not for profit company and is governed by an elected Board who volunteer their service. The Articles of Association require that members of the Board represent the various sectors that comprise the overall agricultural industry. This requirement ensures that the Board consistently takes a “whole of supply chain” approach when considering the matters before it.

Accordingly the composition of the Board requires Directors as follows:

- Vegetable Processing (2)
- Plantation Forestry
- Other Crop Processing
- Fresh Vegetables
- Dairy Processing
- Rural Banking
- Regulatory Affairs
- Agribusiness Services
- Primary Production (2)
- Agri-Marketing

No other representative group in Tasmania attempts to maintain this breadth of view when considering policy and practice in the agricultural environment.

Current representation within these categories ranges from large multi-national companies through wholly Tasmanian companies to individual farming business owners. All Directors are required to represent their “sector” rather than the specific interests/policies of the company for whom they work.

This elaboration of the governance structure for the reader is important in understanding the breadth, quality and overall neutrality of consideration that the Board have provided when discussing the issue of Freight Logistics in the Tasmanian context.

Feedback/Submission

- TAPG finds the interim report to be comprehensive in its scope and informative in the well-presented information contained within it.
- The supporting consultancies commissioned by the Review Team and provided by Juturna and Aurecon were particularly pertinent in describing the existing situation as well as possible future options.
- In terms of other areas to investigate; the possibility of an expanded role for the TT Line in the “freight specific” area may be worth additional specific inquiry?
- In a similar manner; has the viability of other mainland ports such as Sydney been considered as an alternative “first” destination for Tasmanian produce? Is the additional transport cost offset by the more favourable port tariff and better connections to export links? Could the Federal government be persuaded to apply the Bass Strait Freight Subsidy in a more flexible manner?
- Our Board were interested in the comments around “Industry Cooperation” particularly with respect to the agricultural sector. It is our experience that there is increasing evidence that this approach already exists. Indeed, TAPG has a standing committee entitled “Tasmanian Fresh Vegetable Marketing Group” where competing companies band together in promoting the common messages around the quality of our produce. Container space based on pallet numbers regularly consists of a consolidated load across several companies. However, it is

acknowledged that different companies may be paying different rates per pallet based around frequency of usage.

- With reference to “Immediate Assistance to Exporters” where \$25million/year for 4 Years is to be provided, TAPG wishes to offer its services within the “competitive grants program”. The governance model described at the beginning of this response has created a group that is widely respected throughout the industry as an “honest broker” because of the manner in which it carries out its representation role for what can best be described as a very broad church of interests, policies and practices. It is contended that this reputation and practical experience would be a huge benefit to the appointed group that has to assess these competitive grant applications. Including TAPG representation on the panel would provide an “industry” legitimacy that few others can provide.

Conclusion:

TAPG believes that the Freight Logistics Coordination Team have completed a comprehensive scoping exercise that will provide an excellent foundation for future decision making. Our Board believe that we can play an important part in helping to design future responses to these critical questions in conjunction with relevant government and related industry partners.

We stand ready to provide this support.

Yours sincerely

Jim Wilson

Chairman

TAPG

Tuesday 29 October, 2013