



A Branch of George Weston Foods Limited ABN 45 008 429 632

Braidwood Street
(P.O Box 1)
ENFIELD NSW 2136
Tel: 02 9764 8222
Fax: 02 9764 7579

Tasmanian Freight Subsidy Arrangements Inquiry
Productive commission
PO Box 80
Belconnen ACT 2616

June 14th 2006

To whom it may concern,

Weston Animal Nutrition (WAN) has shipped Stockfeed into Burnie Tasmanian area since 1998.

Our feeds are used by the Tasmanian dairy farmer as a supplement to maximise the productive efficiencies of a Dairy farm and provide a buffer during low growing periods such as winter, drought,

It manufactures the feed at its Enfield site in Sydney, loads product into containers, rails to Melbourne before shipping into Burnie

WAN sell Several thousand tonne per annum into Burnie and North East Regions. It has appointed one agent to carry out the co ordination of the logistics, inventory management, and servicing of the 100+- customers in Tasmania.

The subsidy allows for a reduction of approximately \$35.00 per tonne in the cost to the Tasmanian Farmer.

WAN claim the subsidy on behalf of the customer to reduce the famers administrative burden and provide the most competitive position. All subsidy allowances are 100% deducted in the final cost to the farmer.

With the inclusion of the freight subsidy into the costing WAN has a marginal return equal only to marginal cost of production.

It is therefore our opinion that a removal of the subsidy would force WAN Animal nutrition to exit this market.

Please advise of the draft report in August or contact for further information

Yours Sincerely
Greg Aspinall

Sales Manager Weston Animal Nutrition

0438658310
greg.aspinall@gwf.com.au

Enfield	Tamworth	Albury
Braidwood Street	506 Peel Street	Shed B 128 North Street
Enfield NSW 2136	Tamworth NSW 2340	Albury NSW 2640
Tel: (02) 9764 8222	Tel: (02) 6766 1733	Tel: (02) 6041 5210
Fax: (02) 9742 5819	Fax: (02) 6766 8427	Fax: (02) 6041 5216

Division of George Weston Foods Limited ACN 008 429 632