

Typed copy of
handwritten submission

Flinders Island Tas 7255

Subject: Further comment to Productivity Commission Draft Report

Dear Commissioner

Thankyou for the opportunity to add to my oral submission to the Tasmanian Freight subsidy.

Included in this submission is a page marked Commercial in Confidence that provides details of costs and companies we deal with both in Tasmania and interstate.

Our primary business is Muttonbirds, fresh, frozen and salted birds in brine and also recreational fish baits.

The cost of sending Muttonbirds from Flinders Is via southern shipping is \$250 per module 50 boxes of mutton birds or \$7 per box if it is not in the module form. If we choose to utilise air services, it costs \$1400.00 for 136 boxes or approx. \$10.30 per box, air service includes delivery to client in Launceston area.

There are six commercial Muttonbird sheds operating in the Furneaux area at the moment.

It is anticipated more commercial sheds will be increase in the future.

The module setup for interstate freight is different to southern shipping. Freight via Toll to interstate markets consists of 81 boxes per pallet.

Per module from Launceston to Melbourne client \$199.00

Per module from Launceston to Sydney \$299.00

Total cost of sending 81 boxes of fresh frozen Muttonbirds to Sydney is \$766.00, per box to Sydney is approx. \$9.35 or \$1.00 per kg.

For most of our Tasmanian clients outside of the Launceston area we incur added freight costs. I am not sure of any subsidy that southern shipping might get, but I know we do not get any help with costs of freight as we are paying now.

To utilise freight services to Victoria is approx. \$2.00 per kg. I am aware of other commercial operating Muttonbird sheds who also freight Muttonbirds to South Australia and also to Perth WA.

Yours sincerely

John Wells
9.10.2006