

NET SEA FREIGHT • TASMANIA P/L

'The Logistics Administrative Specialist'

20 Dec 06

Andrew Irwin
Productivity Commission
PO Box 80
Belconnen
ACT 2616

Attention: Andrew Irwin

Dear Sirs

Representatives of Net Sea Freight - Tasmania Pty Ltd had the pleasure of meeting you while attending Productivity Commission hearings in Tasmania following publication of the Commission's Draft Report into Tasmanian Freight Subsidy Arrangements. We appreciated your receptiveness to our request for information, particularly regarding whether the Commission would accept further comment from Inquiry participants who might feel inspired to forward such to the Commission while its final report was being prepared.

We are aware that a Task Force comprising several Tasmanian Federal Parliamentary members has been established to further assist the government in formulating policy on this matter which is very important to the Tasmanian community. We have made several proposals to this Task Force, following on from our submission to the Commission; many of the propositions put as a rejoinder to the Commission's Draft Report were included. Among additional comments was the following:

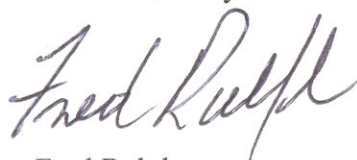
We suggest a government-appointed committee of "informed persons" to review the Nixon Scheme, should the Commission not encompass such an action in its final report. This committee should be headed by a Senator with a majority of its personnel from industry, and include representation from DOTARS and the Productivity Commission. Its major task would be to review the values of important parameters which are incorporated in the Nixon model.

If it is not too late, Net Sea Freight seeks the Commission's indulgence to propose such a mechanism for the Government's consideration in its Final Report. We do not of course wish to pre-empt the Commission's conclusions, but it seems to us that the majority of participants in the public sessions were vehemently in favour of continuation of the present scheme, albeit with a number of modifications. More recent comments from a variety of

other sources confirm that this is a popular view of parties with an interest in those industries affected by a freight assistance scheme.

The purpose in suggesting such a committee is that there is some expertise from in the broader community from which a review body could be drawn. It is vital that the membership should not be solely confined to political persons, nor bureaucrats, nor shipping and freight forwarding interests. The committee would be charged with analysing the Nixon Scheme for shortcomings in its present form and proposing what we feel are minimal modifications to ensure it is updated.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Fred Ralph', written in a cursive style.

Fred Ralph

