

SUBMISSION

This productivity Commission enquiry into Bass Strait shipping and freight is the most important initiative we have seen in recent years to, by its findings, potentially bring lasting and widespread benefits to the Tasmanian economy by finding meaningful solutions to the problems and costs of Bass Strait Shipping.

As a long term "Grey Nomad" Motorhome traveller I have been a regular consumer of the TT Line shipping service product for many years, crossing the Strait twice, sometimes four times per year, including a trip on one of the last of the Devonport - Sydney sailings. And having been involved in commercial shipping, albeit on a much smaller scale, I feel qualified to comment on the current service.

My own experiences and observations, whilst mostly anecdotal, cover mostly the RV tourism sector with which I have had extensive experience and maintain wide ranging participant and industry contacts. This sector, whilst burgeoning in other States, and with record sales of RV vehicles in the last year, <http://www.caravanningnews.com/> has declined in Tasmania over the last 2 years; But offers the most potential to benefit the economy of rural and regional areas throughout the State which need it most, because of the decline in employment in the Timber and other industries.

Tasmania risks being left behind even more in RV tourism as many more rural and outback regions and towns on the Mainland realise the spending power of "Grey Nomads" and bend over backwards to entice them to their areas by providing free or low cost facilities such as camping areas, hot showers and toilets. The Caravan Park industry on the mainland has enjoyed record occupancy rates and profits, whilst it's the opposite in Tasmania.

The Bass Strait shipping service has an enormous impact on the viability of the RV tourist sector in Tasmania and the service, and especially the costs are a powerful inhibiting factor.

A powerful and wide ranging system of informal networking exists amongst RV travellers at happy hours and campfires at thousands of places all over Australia daily, and a common topic of conversation is places to go and places that are not welcoming. In my years of travels I have spoken to many hundreds if not thousands of people who would love to visit Tassie but it is far too expensive and they can travel much greater distances on the Mainland and enjoy far more attractions for the cost of the Spirit fares to Tasmania.

Some of the problems with the service and suggested remedies are listed below;

- The TT Line is essentially a ferry service, providing an extension to the National highway system linking all States of Australia, and recognition of this by the Federal Govt. is long overdue. The Federal Govt. spends Billions of dollars on road and rail infrastructure connecting other states and more of these funds should be used to sponsor the Bass Strait crossing.
- As with all public transport services, it must be recognised that a surplus of capacity needs to be provided in the off peak times in order to meet the demand adequately in peak times. Subsidised Govt. services are best able to cater for these needs therefore the TT Line must stay in Govt. hands but should be transferred to wholly Federal Govt. ownership and funded as part of the National Highway system. (Highway 1).
- The cost of surface travel across the Strait for all passengers, passenger vehicles and freight should be no more than the direct costs of travelling a similar distance on major interstate highways on the mainland. Statistics on these costs including RV tow vehicles with various towed loads should be available from relevant Govt. Depts. Or motoring organisations.

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- The present practice of charging passenger and RV vehicles on a length basis, although it is a normal shipping practice, it is not used to charge for the use of roads and highways, so a formula to categorise vehicles and establish costs of travel per kilometre should be established to equitably charge for the crossing.
- The TT Line must not be used as a profit making enterprise or a “Toll road”, and running costs over and above fares collected on the above basis should be a charge on the Federal Govt. roads and infrastructure budget.
- The TT Line ships should be dedicated passenger and passenger vehicle transport only thereby removing the current competition between freight and passenger vehicles. All freight including perishables should be handled by other ships and if necessary private enterprise would soon adapt their service to meet the demand as the same level of subsidy would apply across the board.
- The current ships (Spirits 1 & 2) are adequate for their current task, seaworthy, and appear in good condition, so with occasional refits could operate for many more years. The practice of “trading up” when the capital cost of a vessel is paid off, does not need to be followed as it only provides another company or another country with a fully operational ship at bargain prices while our service is saddled with the burden of paying off another large capital investment.
- Changing the Victorian port of entry to Western Port Bay, while it initially may require some investment in infrastructure would shorten the crossing time and distance, allowing more crossings to be scheduled, increasing capacity, (which will be needed if fares are more equitable) and reducing operating costs per crossing. This would also get away from the inconvenience and increasing congestion of the Port Melbourne site at loading times.
- Following the Airline practice of adjusting fares daily or even hourly as demand fluctuates, as is the current policy discourages many travellers, as their holiday is often on a tight budget as well as time restraints, and having to pay up to sometimes hundreds of dollars more to travel on their preferred days, often is the deciding factor on travelling to Tasmania or not. It is possible to get bargain fares if your travel date is very flexible and bookings can be made months ahead. These are very rare and do not fit everyones needs as it is often not possible to decide travel dates too far ahead. Discount fares such as Pensioner rates need to be more flexible as when booking for my last crossing for my partner and I, I was told that they are only allowed to sell 60 pensioner discounts on each sailing and 59 had already been sold therefore we would have to pay one full fare and one pensioner fare. These restrictions do not apply to any other Public transport that I know.
- Recent press reports stated that the service was fully booked on many dates over the next few months. This would deter many of the longer term RV visitors (who are the largest contributors to the economy of regional areas) to the State as they often come with an open return date and then find themselves stranded beyond when they do decide to return. Removing the freight priority would alleviate much of this.

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- The TT Line booking system encourages on line booking by a cost penalty for phone bookings but on a number of occasions I have begun my booking process by checking on line only to find my preferred travel dates fully booked, then, on phoning and pressing my case for a particular date I have been able to get on. On one occasion when I enquired about the possibility of cancellations I was told that cancellations often occurred but wait lists were not held and I would need to phone every day or even several times each day to get a cancellation when it occurred. Definitely not a user friendly policy!
- Costs - I have been travelling with the same rig since 2008 and the cost has almost doubled in that time from a little under \$900 return to \$802 one way when I returned home to Tassie in Nov. 2013. Over \$100 dearer one way than the same trip the previous year. (\$1389 return).
- On board meals have also increased in cost dramatically over the same time with cafeteria style meals now costing up to double their true value.

In conclusion, the suggested changes to the Bass Strait Shipping service will, in my opinion, benefit the Tasmanian economy as a whole; The RV Tourist sector, which is made up of Motorhomes, Campervans, Caravans, Camper trailers, Tent based camping and even Trailer boats, has a vastly underestimated economic value, as previously stated, largely in the rural and regional areas. This sector would receive an enormous boost, in turn creating employment and economic activity across the State.

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