

**Submission to Productivity Commission Public Enquiry
Tasmanian Shipping and Freight**

Submitted by Dr. Lindsay Dent, 7 February 2014

Tourism is a major source of revenue for the Tasmanian economy and many tourists arrive in Tasmania via the Bass Strait Ferry, Spirit of Tasmania. The service offered to tourists on this ferry is excellent. There is a range of overnight accommodation options and cars, caravans, trailers and boats are readily supported. Bookings often need to be made months ahead of the intended departure date, but the service is generally good. The inclusion of the Bass Strait ferry service as part of the National Highway system was a progressive step that has done much to support this vital link for Tasmania and its economy. Without the tourist traffic, ferry costs for road freight may be even higher and if so, this would be another impost for a State that is clearly struggling economically. The Bass Strait vehicle ferries have facilitated tourism and the general purpose of this submission is to point out that this could be further enhanced by addressing vehicle tariffs.

The main intent of this submission is to point out an anomaly in the tariffs for towed vehicles and that this is a major impediment to travel to Tasmania for many potential tourists. The rates charged for boats and trailers are significantly higher than for caravans and the logic behind this disparity is difficult to understand. Examples of this mismatch are given below, but rates for boat trailers can be 50% greater than for caravans of the same linear dimensions. For example, the cost for a typical 16ft small wooden boat on a 20ft trailer (6.1m) towed by a Toyota HiLux (combined length 10.56m) is \$691 each way, whereas a caravan towed by the same vehicle would cost \$492. This is a difference of almost four hundred dollars and the reasons for this disparity are not obvious. The disparity is even greater when considering that the towing vehicle, which is of similar length (4.46m), costs only \$89.

Tourists towing a 7m boat by a Holden Commodore Wagon and staying in shared cabins on both legs of the ferry journey would pay a minimum of \$2076 for the Bass Strait crossing alone. When this is compared to an airfare plus accommodation package to Bali from Adelaide (e.g. 5 nights for approximately \$1,000), a trip to Tasmania, a beautiful and safe part of our own country, begins to look very expensive. Perhaps this is why so few mainlanders travel to Tasmania, treating it as a once in a life-time holiday, rather than something they might do every five years or so.

Example of comparative rates for caravans and boat trailers for the Spirit of Tasmania

Holden Commodore Wagon (2008-2013) towing boat trailer or caravan of combined vehicle length of 9.91-11.91m, booking now for mid-February 2014 (if available) or December-January 2014-15 for 10-12 day return journey.

Length of towed vehicle (m)	Combined Vehicle Cost, Return Voyage (\$)	
	Caravan	Boat Trailer
5	814	1212
6	984	1382
7	1154	1552

Whilst it makes sense to encourage visitors with caravans because these people are likely to stay in Tasmania for extended periods, boats and trailers can also support the accommodation of campers and recreational visitors. Boat owners are also more likely to require at least some static accommodation in addition to tents or in-boat accommodation they might carry with their boats and this would further

boost local tourist income. Tasmania is blessed with many fine waterways and coastal regions well suited to the use of small boats. Tasmania also has several excellent boating events, including the Australian Wooden Boat Festival, The Kettering and Launceston Wooden Boat Regattas and the Sydney to Hobart, Melbourne to Hobart and Melbourne to Devonport Yacht races. Attendance at such events and otherwise, throughout the year, would be boosted if it were more economical to transport small- to medium-sized boats via the Bass Strait Ferry Service.

As a case in point, I belong to the Wooden Boat Association of South Australia (WBASA), which has 160 members. Many WBASA members are interested in attending the biannual Australian Wooden Boat Festival in Hobart, but relatively few of us have made it. Those WBASA members that have been to this Festival have driven or flown and have stayed in Tasmania for a relatively short visit. I have recently proposed that WBASA organizes a trip to Tasmania to coincide with or in addition to the Wooden Boat Festivals, but I am already running into resistance because of the cost of transporting our boats. Many of our members are elderly and with limited incomes, so a return ferry cost of more than \$2000 is a major impost.

Numbers of visitors from our association and similar groups throughout Australia would be greatly boosted if it were cheaper to transport our own boats via the Bass Strait Ferry. These visitors with boats are also more likely to spend longer travelling around Tasmania, spreading their tourist dollars into smaller communities throughout the island. We represent only a microcosm of the huge boating community on mainland Australia and so this source of business for Tasmania should be facilitated more that it is at present.

I encourage a review of ferry tariffs for boats on trailers, such that the rate is reduced to that for caravans and camper trailers. Please note that I am not advocating that the rates for caravans and camper trailers should be increased, since the costs for these are high and already likely to be discouraging visitors.