



Australian Government

Department of Infrastructure, Transport,
Regional Development and Local Government



O V E R V I E W

Tasmanian Freight Equalisation Scheme *King Island and Flinders Island intrastate component*

For shipments from 1 July 2008 the Tasmanian Freight Equalisation Scheme (TFES) has been extended to include intrastate sea freight shipped between King Island and the main island of Tasmania and between Flinders Island and the main island of Tasmania.

This is in addition to the assistance currently available to the communities of King Island and Flinders Island under the existing interstate TFES when eligible sea freight is shipped to and from the mainland of Australia.

Consistent with the TFES interstate provisions, the intrastate component's **eligible goods** are:

- a) listed in the TFES Ministerial Directions—Schedule 1;
 - i) for goods produced or manufactured on the main island of Tasmania for permanent use or for sale on King Island or Flinders Island;
 - ii) for goods produced or manufactured on King Island or Flinders Island for permanent use or sale on the main island of Tasmania; and
- b) eligible non-consumer raw materials, machinery and equipment produced or manufactured on the main island of Tasmania, King Island or Flinders Island—used intrastate in the manufacturing, mining, agriculture, forestry or fishing industries.

Goods deemed **ineligible** under the general interstate TFES provisions will also be ineligible under the intrastate component.

The **sea freight routes** eligible for assistance under the TFES intrastate component are between:

- a) any port on King Island and any port on the main island of Tasmania; and
- b) any port on Flinders Island and any port on the main island of Tasmania.

Eligible claimants are those who incur the costs of shipping eligible goods.

Assistance payable under the TFES intrastate component will be calculated by Centrelink on the basis of a twenty foot equivalent unit (TEU) container or equivalent, utilising the same parameters and methodology currently applied to processing TFES interstate claims for assistance, except for:

- a) in the case of goods moved between King Island and the main island of Tasmania, the **road freight equivalent (RFE) cost** is \$675 per TEU for dry freight and \$742 per TEU for reefer freight; and
- b) in the case of goods moved between Flinders Island and the main island of Tasmania, the **RFE cost** is \$259 per TEU for dry freight and \$285 per TEU for reefer freight.

The maximum level of assistance, including an intermodal allowance of \$100, is \$855 per TEU. The RFE costs have been determined on the basis of transporting goods by road over an equivalent distance of 300 kilometres between King Island and Devonport, and of 115 kilometres between Flinders Island and Bridport.

Contact Tasmanian Assistance Services on 1800 993 347 for further information about the intrastate component.