

Government to subsidise cattle freight for King Island Beef

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Tasmania gives lifeline to King Island cattle producers with a \$1.25 million freight subsidy

Acting Premier Bryan Green says the State Government will offer short-term financial assistance to King Island beef producers to help transport cattle to mainland Tasmania for processing.

The \$1.25 million subsidy package provides producers \$30 per head to offset cattle transports costs.

“The closure of the JBS Australia abattoir was a big blow to the King Island economy and the community,” Green says.

King Island beef farmers welcome the announcement saying it will alleviate the high cost of freight costs, which have increased ten-fold since the closure.

“Freight costs used to be about \$10 or \$12 a head to the local abattoir,” beef farmer Roger Clemmons says.

Those prices have now risen to \$120 per head.

Green says the government is working with stakeholders to help them adjust to the challenge of shipping stock.

“Some of the challenges are already being met including better preparation of cattle for transport by beef producers and the upgrading of the Stanley port,” Green adds.

The new funding recognises the quality and importance of King Island beef to the whole Tasmanian beef industry.

In an ABC news piece, King Island Mayor Greg Barratt says the money will flow directly to the community.

“It’s a significant announcement for the whole island.”

Chris Porter, another beef farmer on the island, tells ABC news the money could have been better spent but adds he doesn’t want to look a gift horse in the mouth.

“I believe had the government picked up the proposal put forward by King Island producers to upgrade the loading facility at Grassy so it was a state-of-the-art facility, we could negotiate with a bigger vessel,”

Porter says.

He thinks an upgrade would have halved freight costs and wouldn't take 12 months to complete.

"Once that was all put in place, it's an ongoing and permanent thing," Porter says.

To be eligible for the government funding, farmers need to work with the Department of Primary Industries, Parks Water and Environment.

"We want to work with farmers to help them lift profitability so that it helps sustain beef production on the island for the long-term," Green says.

"That's what this program is about."