

Labor's \$40 million Tasmanian Freight Package

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Tasmania continues to play a vital role in the upcoming election with Labor yesterday promising \$40 million in immediate support for the state's struggling freight industry.

The Tasmanian Freight Package responds to industry requests for support to enable exporters to increase efficiencies and reduce costs from supply chains.

Federal Minister for Transport and Infrastructure Anthony Albanese says as an island state, Tasmania relies on sea trade.

"The state's exporters face complex commercial issues. We are determined to provide support based upon this industry advice," Albanese says.

The package includes \$37.5 million in grant funding to partner with international exporters to improve freight efficiencies, advisory support on freight logistics and cost reductions, funding to develop initiatives to reduce transit of empty containers, and trial of an online trading portal that aggregates volumes and reduces unused freight capacity.

"The challenge is to grow volumes and modernise our on-island freight logistics. It will also provide supply chain expertise and knowledge to businesses that may be able to generate freight cost improvements simply by doing things differently," Albanese says.

This follows the \$100 million Labor has already provided to strengthen and diversify the Tasmanian economy, and grow export volumes, as well as the \$120 million from this year's budget to upgrade the state's freight rail network and port upgrades at Burnie and Bell Bay.

Albanese believes this transitional assistance will make it easier and cheaper for businesses to get their products to the mainland and overseas markets.

"We're also making a record investment in the state's road and rail links to support the movement of freight," Albanese says, adding they have doubled the annual infrastructure spending from \$157 per Tasmanian to \$264.

Premier Lara Giddings says the policy is backed by solid research and evidence.

“The Tasmanian Government has been listening to industry concerns and working very hard to develop a long-term sustainable solution to freight challenges in a challenging economic environment,” Giddings says.

“We have always acknowledged that freight is having an impact on exporters and now we have a strategic pathway that provides immediate assistance for exporters and a clear direction for Tasmania’s long-term freight needs.”

Tasmanian Infrastructure Minister David O’Byrne says the solution will make a real difference because it has been developed with the backing of local exporters.

“This is recognition of the important work the industry-led Freight Logistics Coordination Team has achieved in taking a detailed and economy-wide look at Tasmania’s freight logistics,” O’Byrne says, adding it underpins Tasmania’s Economic Development Plan.

The Federal and Tasmanian governments have each committed \$20 million over two years, with funding expected to flow before the end of the year.