



Australian Government

Department of Infrastructure, Transport,  
Regional Development, Communications and the Arts

# Tasmanian Freight Equalisation Scheme

## SUBMISSION TO THE SENATE SELECT COMMITTEE ON THE TASMANIAN FREIGHT EQUALISATION SCHEME

24 September 2024

### 1) Introduction

This Submission sets out the role of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, and the current arrangements for supporting sea freight services between Tasmania and mainland Australia, under the Tasmanian Freight Equalisation Scheme (TFES).

The department recognises the importance of shipping and the efficient transport of goods across Bass Strait to Tasmania's economy. In 2023-24 more than \$185.2 million was paid to eligible shippers of goods under TFES, representing more than 17,000 claims.

The TFES was introduced in 1976, and aims to provide Tasmanian industries with equal opportunities to compete in other markets, recognising that, unlike their mainland counterparts, Tasmanian shippers do not have the option of transporting goods interstate by road or rail.

TFES is uncapped in terms of the number of claimants or claims that can be made in a financial year and is demand driven, which means that all approved claims for support are paid, even if the allocated budget is exceeded. Where the budget is exceeded, the Australian Government ensures there are enough funds to pay TFES assistance to eligible claimants (details on eligibility is set out in Section 3). Since its establishment TFES has undergone several governmental reviews and additional components were introduced into the Scheme in 2016 and 2021 (Section 2.1 details these additional components).

### 2) TFES overview

The aim of TFES is to provide financial assistance for costs incurred by shippers of certain categories of non-bulk goods by sea between the mainland and Tasmania, or King Island and the main island of Tasmania, or the Furneaux Group and the main island of Tasmania.

The TFES operates under Ministerial Directions (MDs) (**Attachment A**) which apply to all shipments of goods occurring on or after 1 January 2016. The MDs are publicly available on the department's TFES website<sup>1</sup> and outline the eligibility requirements and rates of assistance for claimants. The Secretary of the department is able to make minor changes to the MDs (administrative in nature) and the Minister responsible for the Scheme is able to approve more major changes which affect the policy direction of the Scheme. Structural changes to the Scheme that would have significant policy and budget implications require a decision of government.

The amount of TFES assistance payable is based on the difference between the freight costs of moving the goods by sea and the notional freight costs of moving them by road over an equivalent distance on mainland Australia, adjusted by a sliding scale based on a median level of disadvantage, to a maximum of \$855 per twenty-foot equivalent unit (TEU). The TFES MDs define sea freight cost disadvantage as the difference between the costs incurred by eligible shippers for sea freight and the cost of moving the same type of goods for an equivalent distance by land transport modes. Eligibility details are provided in Section 3. Calculations of assistance can be complex and have varying parameters which are considered when processing claims (see Section 5.1 for details of these parameters).

The department is accountable for TFES through the appropriation of funds through the Portfolio Budget Statements, and is responsible for all policy aspects of TFES. Services Australia is the delivery agency of TFES on the department's behalf, and is responsible for receiving, assessing, and processing payments. The main governance documents between the department and Services Australia are the Head Agreement (updated every 3 years) and Services Schedule (reviewed every year) which provides for clear communication on each agency's responsibilities under the Scheme.

To aid both TFES claimants and claims assessors in Services Australia, the department has developed 11 Information Papers<sup>2</sup> that are published on the department's website. The Information papers are developed under clause 8.3.1 of the TFES MDs and have been prepared to help claimants have a better understanding of TFES policy and the provisions of the TFES MDs, as well as helping to inform Claims Agents and TFES claimants of the obligations under the TFES MDs. Examples of TFES Information papers include topics such as Claims Agents, Conversion Factors, Extension of Time Process, Sportspersons and Professional Entertainers and the Imported Good Component.

## 2.1 TFES amendments

Since its establishment in 1976, the Scheme has been periodically amended through changes to the MDs, and expanded twice in 2016 and 2021. These changes included:

- In 2016, introducing assistance for northbound goods that are transhipped on mainland ports for other markets (Expanded Component - Other markets Northbound);
  - Transshipment means shipping goods from Tasmania to a port on the mainland and arrangements have been made for the goods to be off-loaded from one ship and loaded onto the same ship or a different ship for carriage under a separate voyage.
- Also in 2016, TFES claim lodgement times were reduced from 2 years to 6 months from the date of shipment. This decision was made by the government to ensure program expenditure was recorded closer to when the costs were incurred, for better budget management, and reporting and forecasting purposes. This change also enables the Bureau of Infrastructure and Transport Research Economics (BITRE) to gather robust data for its TFES monitoring report; and reduce the impact lengthy lodgement timeframes have on Services Australia's claim processing.

<sup>1</sup> <https://www.infrastructure.gov.au/infrastructure-transport-vehicles/maritime/tasmanian-freight-equalisation-scheme#ministerial>, Department of Infrastructure, Transport, Regional Development, Communication and the Arts, September 2024.

<sup>2</sup> TFES Information Papers. <https://www.infrastructure.gov.au/infrastructure-transport-vehicles/maritime/tasmanian-freight-equalisation-scheme#information>. Department of Infrastructure, Transport Regional Development, Communication and the Arts.

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- Since this change came into effect the department has had a process in place for lodgement of claims which are outside the 6 months claim period, which is called an Extension of Time request. The current policy for an extension of time is limited to no more than 12-months from the date the extension request was received by the department<sup>3</sup>.
- In 2021, introducing assistance for southbound imported goods that do not have an Australian equivalent (Expanded component - Imported Goods);
  - An Australian equivalent good is assessed as one that is manufactured, produced or grown in Australia (not an imported good), and suitable for use in the claimant's eligible business process or activities, and available to the business in sufficient scale and quality.
  - To be eligible, the imported goods must be shipped to Tasmania within 6 months of the date the goods were imported to mainland Australia. To receive TFES assistance a claimant must be predominantly engaged in the manufacturing, mining, or agriculture, forestry and fishing industries in Tasmania and the goods needs to be a key eligible input into the business activity in one of these industries.
- Removing the reduced rates of assistance that have been historically applied to high density good claims (from 60% of the eligible rate of assistance to 100%) - 2021;
  - Rates paid for the shipment of high-density goods were increased from 60% of the calculated standard assistance rate available, to 100% of the calculated standard assistance rate. High Density goods include metals (iron, steel or semi-finished products) fertilisers, inorganic chemicals, wood (veneers, laminates, other plywood), and cement products etc. This type of good is generally a substance with a high degree of compactness.
- Introducing an interest payment available to be paid to claimants when their eligible claim is paid greater than 30-days from lodgement of a completed claim with Services Australia - 2021.
  - This change provides a claimant who lodges a correct claim to benefit from interest calculated daily on claims processed by Services Australia outside of the 30-day time limit.

Both the Other Markets and the Imported Good components were implemented applying a flat rate of assistance (\$700 per TEU 20-foot container) to move away from the more complicated sliding scale calculation of rates of assistance under the Domestic component (see Section 2.2 for more detail).

Minor amendments to the TFES MDs in the last 10 years include:

- On 23 December 2015, Poppy straw was added to the Raw vegetables' materials category under the northbound and intrastate component (Schedule 1) of the TFES MDs.
- On 9 August 2018, fodder being donated to mainland farmers until the end of 30 June 2019 was included in the northbound and intrastate component under Schedule 1 of the TFES MDs. This allowed Tasmanian farmers donating fodder to mainland Australia eligible to receive TFES assistance. This was extended on 28 June 2019 for a further 12-months until 30 June 2020.
- On 1 March 2019, Backfatter pigs were included in Schedule 1, with the livestock conversions updated to reflect the change in the Conversion Factors TFES Information Paper.
- On 5 February 2020, a further extension was granted for fodder being donated for bushfire relief until the end of 30 June 2021 and fodder being donated to mainland farmers was extended until the end of 30 June 2021 under Schedule 1.
- On 19 July 2024 the TFES MDs were extended to cover southbound eligibility of fodder donated from mainland Australia to drought-affected King Island farmers by charitable organisations<sup>4</sup>. These amendments will be in place for shipments made retrospectively from 1 May 2024 to 30 June 2025 and will be assessed in early 2025 to ensure they are achieving the intended purpose.

<sup>3</sup> Extension of Time Process, <https://www.infrastructure.gov.au/sites/default/files/documents/extension-of-time-info-paper-jan2024-v0.1.pdf> Department of Infrastructure, Transport Regional Development, Communication and the Arts.

<sup>4</sup> Albanese government delivering more feed for king island farmers, September 2024, <https://www.infrastructure.gov.au/sites/default/files/documents/media-release-albanese-government-delivering-more-feed-for-king-island-farmers-23july2024.pdf>

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## 2.2 Components of TFES

At present, there are 5 components to the Scheme:

1. **Domestic Component**
  - a. Northbound - Domestic and
  - b. Southbound – Domestic;
2. **Expanded component**
  - a. Other Markets - Northbound
  - b. Imported Goods - Southbound
3. **Intrastate** – Shipments between Bass Strait Island and mainland Tasmania;
4. **Furneaux Group Additional Assistance** – Northbound; and
5. **Special Categories** – Professional Entertainers / Sportspersons, and Brood mares.

### Domestic Component

**Northbound:** Tasmanian produced/manufactured goods that are shipped from Tasmania (including King Island and Furneaux Group) to mainland Australia for permanent use or for sale. Goods must be listed in Schedule 1 of the TFES MDs.

**Southbound:** Australian mainland produced/manufactured goods that are shipped to Tasmania for use in primary production, mining or manufacturing industries. Goods must be raw materials, equipment, materials inputs used in these processes.

- A sliding scale of assistance is calculated, up to but not exceeding a maximum of \$855 per TEU<sup>5</sup> (20-foot container). Schedule 3 of the TFES MDs lists a sliding scale of assistance depending on whether the claimant's notional entitlement makes them a Class1, Class 2, Class 3 or Class 4 claimant. See section 5.1 for further information.

### Expanded Component

#### **Other Markets**

Tasmanian produced/manufactured goods that are shipped from Tasmania (including King Island and Furneaux Group) to mainland Australia and are transhipped on the mainland of Australia.

- Flat-rate of assistance of \$700 per TEU.
- King Island & Furneaux Group receive additional 15% i.e. flat rate of \$805 per TEU.

#### **Imported Goods**

Goods that are imported to the mainland of Australia and shipped to Tasmania from a mainland port to other markets.

Goods must have no Australian equivalent and be for use in primary production, mining or manufacturing industries.

Goods must be raw materials, equipment, materials inputs used in these processes and claimed by the end user.

- Flat-rate of assistance of \$700 per TEU.
- King Island & Furneaux Group receive additional 15% i.e. flat rate of \$805 per TEU.

<sup>5</sup> TEU is a unit of measurement equivalent to one 20 foot shipping container. This measurement is used to quantify and calculate the unit on which TFES assistance is payable.

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- Furneaux Group can receive up to \$1,610 if goods shipped to the Furneaux Group via the main island of Tasmania if it involves a land transport component on the main island.

**Intrastate**

Goods shipped between main island of Tasmania and King Island/Furneaux Group.

*Main island of Tasmania to King Island/Furneaux Group.*

Goods must be on Schedule 1, grown/manufactured on the main island of Tasmania for permanent use or for sale on the islands

OR

Be Tasmanian mainland manufactured raw materials, equipment, material inputs for use in primary production, manufacturing or mining activities on the islands

OR

Be goods that are produced on the island and shipped to the main island of Tasmania and are input to a process on the main island of Tasmania.

*King Island/Furneaux Group to main island of Tasmania.*

Goods must be on Schedule 1, grown/manufactured on King Island or the Furneaux Group for permanent use or for sale on the main island of Tasmania.

- Maximum of \$855 per TEU.

**Furneaux Group Additional Assistance**

Goods shipped from Furneaux Group to mainland of Australia via main island of Tasmania and the shipment involves a land transport component on the main island of Tasmania.

Goods cannot undergo a manufacturing process on the main island of Tasmania.

- Maximum of \$1,710 per TEU for goods that are for permanent use or for sale on the mainland of Australia.
- Maximum of \$1,610 per TEU for goods that are destined for other markets.

**Special Categories**

TFES assistance is available for these shipments in certain circumstances for Professional Entertainers / Sportspeople, and Brood mares.

Different eligibility criteria apply for each category.

Assistance is available between the Australian mainland and Tasmania & between the Tasmanian mainland and King Island/Furneaux Group.

### 3) TFES eligibility criteria

#### 3.1 Northbound eligibility

Under clause 2.3 of the TFES MDs, a person is eligible for TFES assistance in relation to goods shipped from Tasmania to the mainland of Australia if:

- the goods are eligible northbound goods; and

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- the person has incurred and paid the cost of shipping the goods; and
- assistance has not been paid to any other person in respect of that shipment of those goods.

The term **eligible northbound goods** means goods that are listed in Schedule 1 of the TFES MDs and produced or manufactured in Tasmania for permanent use, or sale, on the mainland, or which have been shipped to the mainland for the purpose of transshipment.

However, the following are **not** eligible northbound goods:

- goods shipped as bulk cargo; and
- goods not listed in Schedule 1 of the TFES MDs, noting there is a process for adding new goods to Schedule 1.

Where words or terms are not defined under *clause 1.5.1 Definitions*, the department has taken the approach to use the ordinary meaning of the word. In this case, the department relies upon the Macquarie Dictionary meaning to justify what is, for example, a fuel, to assess whether or not a southbound good is an eligible southbound good to receive TFES assistance.

### 3.2 Southbound eligibility

Under clause 2.7 of the TFES MDs, a person is eligible for TFES assistance in relation to goods shipped from the mainland to Tasmania in the following circumstances:

- the goods are eligible southbound goods; and
- the person is engaged in the manufacturing, mining, or agriculture, forestry and fishing industry in Tasmania; and
- the person has incurred and paid the cost of shipping the goods; and
- assistance has not been paid to any other person in respect of that shipment of those goods.

The following goods are **eligible southbound goods**:

- if the claimant is engaged in the manufacturing industry in Tasmania—raw materials or equipment for use by the claimant in the claimant’s manufacturing processes; or
- if the claimant is engaged in the mining industry in Tasmania—raw materials or equipment for use by the claimant in the claimant’s production processes; or
- if the claimant is engaged in the agriculture, forestry or fishing industry in Tasmania—material inputs to, or machinery, implements and equipment for use in, that industry.

Goods are also **eligible southbound goods** if:

- the goods are used by a person as an input into a process that is carried out in the course of activities carried out by the claimant in Tasmania that are listed in Divisions A, B or C of Australian and New Zealand Standard Industrial Classification (ANZSIC 2006); and
- the process meets either of the following requirements:
  - an output of the process is used in the course of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned);
  - the process uses as an input an item that is an output of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned).

However, the following are **not** eligible southbound goods:

- imported goods which:
  - the Secretary is satisfied have an Australian equivalent; or
  - are listed in Schedule 1A; or
  - were loaded onto a ship for the journey to Tasmania at a port that was not on the mainland; or
  - have a date of shipment that is before 1 July 2021 or more than 6 months after the goods were imported to Australia from overseas;

- fuels and lubricants;
- goods of Tasmanian origin which have not undergone a manufacturing process on the mainland before shipment back to Tasmania;
- building and construction materials and equipment;
- motor vehicles for the manufacturing and mining industries, if they are to be registered for use on public roads;
- goods shipped as bulk cargo.

### 3.3 Intrastate assistance eligibility

Under clause 2.12 of the TFES MDs, a person is eligible for TFES assistance in relation to goods shipped between King Island and the main island of Tasmania, or between the Furneaux Group and the main island of Tasmania, if:

- the goods are eligible intrastate goods; and
- the person has incurred and paid the cost of shipping the goods; and
- assistance has not been paid to any other person in respect of that shipment of those goods.

Goods are **eligible intrastate goods** if the goods are:

- listed in Schedule 1 and produced or manufactured on the main island of Tasmania for permanent use or sale on King Island or the Furneaux Group, or conversely, manufactured on King Island or the Furneaux Group for permanent use or sale on the main island of Tasmania; or
- if the claimant is engaged in the manufacturing industry on King Island or the Furneaux Group—raw materials or equipment for use in the claimant's manufacturing processes; or
- if the claimant is engaged in the mining industry on King Island or the Furneaux Group—raw materials or equipment for use in the claimant's production processes; or
- if the claimant is engaged in the agriculture, forestry or fishing industry on King Island or the Furneaux Group—material inputs to, or machinery, implements and equipment for use in, that industry.

Goods are **also eligible intrastate goods** if:

- the goods are used by a person as an input into a process that is carried by the claimant on King Island or the Furneaux Group that are listed in Divisions A, B or C of ANZSIC 2006; and
- the process meets either of the following requirements:
  - an output of the process is used in the course of the claimant's main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned);
  - the process uses as an input an item that is an output of the claimant's main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned).

However, the following are not eligible intrastate goods:

- goods brought into the main island of Tasmania from the mainland or from overseas which have not undergone a manufacturing process on the main island of Tasmania prior to their shipment to King Island or the Furneaux Group;
- goods brought into King Island or the Furneaux Group from the mainland or from overseas which have not undergone a manufacturing process on that island prior to their shipment to the main island of Tasmania;
- goods shipped from King Island to the Furneaux Group which have not undergone a manufacturing process on the main island of Tasmania prior to their shipment to the Furneaux Group, and vice versa;
- fuels and lubricants;
- building and construction materials and equipment;
- motor vehicles for the manufacturing and mining industries, if they are to be registered for use on public roads;
- goods shipped as bulk cargo.

### 3.4 Special categories eligibility

TFES assistance may be available for the following special categories. Further details on each category can be found in Part 2 of the TFES MDs.

#### **Brood mares (northbound, southbound and intrastate)**

This claim is for Tasmanian based brood mares transported to the Australian mainland for servicing and returned to Tasmania. Assistance is available for both southbound and northbound legs of the trip. The claimant must be the person who incurs and pays the freight costs.

#### **Sportspersons and Professional Entertainers (northbound, southbound and intrastate)**

A person may claim TFES assistance in relations to goods shipped northbound, southbound and intrastate, for the person is a sportsperson competing for prize money or other financial reward, or is a professional entertainer.

- Sportspersons must be competing in a sporting event for prize money or other financial reward.
- Professional entertainers must receive an income, fee or financial reward for performing in a show or event.
- The sporting event or entertainment must be the primary purpose of the trip.

#### **Charitable organisations (southbound)**

A charitable organisation may claim southbound TFES assistance for donated fodder and stockfeed to drought affected farmers on King Island, if the charity has incurred and paid the cost of shipments that have made between 1 May 2024 and 30 June 2025.

#### **Transport by air in exceptional circumstances**

Subclauses 2.16.1 to 2.16.4 of the TFES MDs outline the process required for an Exceptional Circumstances declaration. The Exceptional Circumstances declaration is used in relation to goods transported by air if the delegate is satisfied that in normal circumstances the goods would have been shipped by sea and the goods were, or will be, transported by air because of the temporary unavailability of a regular shipping service. The most recent declaration was issued in September 2016 when a regular shipping service to King Island did not occur due to the vessel responding to a marine emergency.

## 4) King Island and Flinders Island

Assistance is available for eligible non-bulk goods shipped between the main island of Tasmania and either King Island or the islands of the Furneaux Group.

- Assistance is based on both the formula and flat rate depending on the type of claim, with additional assistance applied due to complexity and cost of shipping from these islands.
- A TFES claimant cannot claim both Interstate and Intrastate assistance unless the goods being shipped undergo a manufacturing process on the main island of Tasmania. If the goods went through a manufacturing process on the main island of Tasmania and the claimant incurs the freight costs for both legs, the claimant should make 2 separate TFES claims.
- Shipments from King Island and Furneaux Group to the mainland are eligible under the domestic and intrastate component of the Scheme as well as for transshipment.

### 4.1 King Island

Bass Island Line (a Tasports owned entity) provides a weekly shipping service between the Port of Devonport and Port of Grassy on King Island with its vessel the *John Duigan*. Eastern Shipping line (a private company) operate the King Islander and the Statesman, primarily shipping freight between King Island and Stanley in Tasmania's north-west.



- On 14 March 2022, Bass Island Line, moved to a weekly shipping service between King Island and Devonport and dropped its Victorian port call. This action was reported by the company<sup>6</sup> as being in response to customer demand and the decline in usage of a Victorian port call. As a result of this service change, Bass Island Line ships goods from King Island to Devonport before transshipment to SeaRoad Shipping, Strait Link or TT-Line vessels for transport to Melbourne.
- For eligible goods being shipped between King Island and the main island of Tasmania for permanent use or sale, claims can be made under the intrastate component of TFES.
- For eligible King Island goods being shipped to the mainland for permanent use or sale (whether via the main island of Tasmania or directly to the mainland), claims can be made under the domestic northbound component of TFES.
- For eligible goods being shipped from the mainland of Australia to King Island (whether via the main island of Tasmania or directly from the mainland), claims can be made under the southbound domestic component of TFES.
- Assistance is also available for eligible King Island goods for transshipment and imported goods.
- Intrastate TFES assistance is not available for goods from King Island transhipped via the main island of Tasmania for permanent use or sale on the mainland, unless the goods being shipped undergo a manufacturing process on the main island of Tasmania. For example, in the case of dairy products such as cheese that are produced on King Island for permanent sale on the Australian mainland, the cheese would not be eligible for the intrastate component of TFES unless there was a further manufacturing process on the main island of Tasmania. However, these goods would still be eligible for the domestic component of TFES.
- As described in Section 2.1 TFES amendments, on 19 July 2024 the TFES MDs were extended to cover southbound eligibility of fodder donated from mainland Australia by charitable organisation in direct response to call for assistance for drought-affected King Island farmers.

## 4.2 Flinders Island and Furneaux Group

- Bass Strait Freight operates 2 vessels servicing the Furneaux Group of Islands, including Flinders Island, Cape Barren Island and 'as required services' to King Island and Port Welshpool (Victoria).
- In addition to the arrangements in place for King Island, in November 2008, additional assistance for the Furneaux Group was announced. The requirements were established around the shipping circumstances out of Flinders Island, as goods had to be shipped to Bridport, Tasmania and then transported by land to Bell Bay and then shipped to mainland Australia.
- This means that businesses operating in the Furneaux Group are predominantly required to ship goods destined for mainland Australia via 2 sea legs: from the Furneaux Group to the main island of Tasmania and from the main island of Tasmania to mainland Australia. Such shipments require transloading (where the freight is transferred from one mode of transportation to another) to complete the journey.

## 5) Calculating TFES assistance

### 5.1 Sliding scale of assistance

Calculations of assistance can be complex and have varying parameters which need to be considered and this calculation is supported by the Services Australia claim lodgment, processing and payment ICT systems.

The amount of assistance paid under the Domestic and Intrastate Components is affected by a number of factors:

- The freight task (how the freight invoice reflects the transport of the good - e.g. 'wharf to wharf')

<sup>6</sup> BIL confirms Devonport port of call and Victorian transshipment service, [Bass Island Line confirms Devonport port of call and Victorian transshipment service \(tasports.com.au\)](https://tasports.com.au), Tasports, 3 March 2022.

- The transport unit (whether the good is in a shipping container, a trailer, a pallet, etc.)
- Load capacity (how much of a standard TEU container would the transported good fill)
- Freight price (how much was paid to transport the goods)
- Route (origin and destination of the good)
- Type of container, dry versus reefer (refrigerated container)
- Type of good and conversion factors, if required (for example livestock shipments)

In the lead up to COVID-19, the growth in the cost of shipping across Bass Strait (sea freight rates) and road freight rates was largely the same. Between 2018-19 and 2022-23, the Bass Strait post-assistance freight rate (that is, net freight costs after TFES assistance) grew 7.9% per annum more than the road freight price.

## 5.2 Claimant classes

Claimants are categorised into 1 of 4 classes depending upon the amount of their notional entitlement (NE). The application of Schedule 3 of the TFES MDs produces a sliding scale of assistance depending on whether the claimant's NE makes them a Class 1 (NE: \$0 to \$335.50), Class 2 (NE: \$335.51 to \$671), Class 3 (NE: \$671.01 to \$1006.50) or Class 4 (NE: \$1006.51+) claimant under Schedule 3.

The sliding scale of payments is intended to provide an incentive to shippers to seek out lower freight rates, and to shipping companies not to raise freight rates to take advantage of the subsidy.

The below provides an explanation of how the sliding scale of assistance works in practice. For the variable calculation, the freight amount for each shipment is adjusted to represent a wharf to wharf amount for shipping a TEU over the 420km of Bass Strait. This means there will be adjustments to freight amounts where claims are lodged for:

- shipping units other than 20ft containers
- Less than Container Loads (LCL)
- door to door, door to wharf or wharf to door shipments
- routes other than between Northern Tasmania and Victoria.

The adjusted freight amount is called the Notional Wharf to Wharf (NWW). Once the NWW is calculated, a Notional Entitlement (NE) can be calculated for each shipment. The NE is the NWW freight amount for a TEU, less the applicable Road Freight Equivalent (RFE) amount (see clause 3.11 of the TFES MDs). The NE is effectively the sea freight cost disadvantage incurred by the claimant who can only transport their product by sea. Once the NE is known, Schedule 3 in the Ministerial Directions can be applied.

As per Schedule 3 of the TFES MDs, the claimant receives:

- 100% of the first \$335.50 of the NE (Class 1), plus
- 75% of the next \$335.50 of the NE (Class 2), plus
- 50% of the next \$335.50 of the NE (Class 3/4), plus
- An inter-modal fixed cost allowance of \$100 per TEU.

The variable calculation is covered in Subpart 3C – Assistance in All Other Case with the sliding scales of assistance specifically referred to in clause 3.12.1.

Table 3 below shows the percentage of TEUs shipped under each Class of Claimant for the domestic component of TFES.

Table 3 Percentage of TEUs moved by sliding scale Class, domestic component<sup>7</sup>

<sup>7</sup> TEUs by sliding scale rates, Tasmanian Freight Equalisation Scheme – Monitoring Review (preliminary release tables) [Tasmanian Freight Equalisation Scheme Monitoring Reports | Bureau of Infrastructure and Transport Research Economics \(bitre.gov.au\)](#), Bureau of Infrastructure Transport and Research Economics (2024).

	Class 1	Class 2	Class 3	Class 4
2000-01	40.3%	39.7%	11.8%	8.1%
2001-02	34.6%	39.1%	17.2%	9.1%
2002-03	29.5%	36.4%	21.4%	12.7%
2003-04	28.1%	36.2%	24.9%	10.8%
2004-05	27.6%	36.2%	22.7%	13.5%
2005-06	19.9%	37.2%	28.2%	14.7%
2006-07	16.4%	35.3%	31.5%	16.8%
2007-08	11.6%	34.3%	34.0%	20.1%
2008-09	10.4%	30.1%	34.4%	25.1%
2009-10	8.3%	32.6%	34.4%	24.6%
2010-11	26.8%	24.2%	28.0%	21.0%
2011-12	8.4%	23.2%	37.3%	31.2%
2012-13	19.9%	15.8%	32.0%	32.4%
2013-14	2.1%	14.6%	35.8%	47.5%
2014-15	2.3%	18.0%	31.7%	48.1%
2015-16	3.3%	18.9%	36.6%	41.2%
2016-17	2.9%	16.4%	41.9%	38.9%
2017-18	1.5%	14.5%	42.8%	41.2%
2018-19	3.1%	10.3%	41.7%	44.9%
2019-20	3.2%	9.8%	34.5%	52.5%
2020-21	3.3%	11.1%	34.7%	50.9%
2021-22	2.3%	7.8%	28.9%	60.9%
2022-23	3.3%	5.1%	13.2%	78.4%

Note: Claims accepted and paid. Excludes entries with nil payments.

Source BITRE analysis of TFES database, August 2024 update.

## 6) TFES operation and administration

The department is responsible for policy formulation and advice to government and administers the funds set aside annually to pay claims under TFES. The department has overall responsibility for TFES and is the policy agency reasonable for the development of the TFES MDs and supporting documentation.

Since 1998, the day to day administration of the Scheme has been managed and administered by Services Australia under a Head Agreement and Services Schedule between Services Australia and the department. Services Australia administers TFES on the department's behalf, assessing and making payments to TFES claimants as they are the agency best equipped to deliver payments to claimants on a large scale.

Services Australia receives a direct annual appropriation to administer the Scheme. In addition to processing claims, Services Australia's role includes responsibility for determining the amount payable to TFES claimants, providing adequate systems to detect any incorrect payments, ensuring that necessary systems are in place to facilitate timely recording of customers claims, and making and checking payments and the provision of management information.

### 6.1 Services Schedule for the operation of the Tasmanian Transport Programs

The department and Services Australia have a Services Schedule in place which details responsibilities of each organisation for the administration of TFES. The Services Schedule details the operational requirements of each agency's responsibility to one another. The Services Schedule is reviewed on an annual basis to ensure it is current and fit for purpose.

The Services Schedule lists the approved form of information to be communicated between the 2 agencies. The Services Schedule details the data and information Services Australia is required to provide to the department in the form of a Quarterly Report. This data lists a range of information including claimant names, total assistance provided, debt management, and other related information. The department uses these reports to publicly report the Top 20 TFES Claimants and amount of assistance provided on the department's website on a quarterly basis. The Quarterly Reports are provided to the BITRE for their monitoring of the Scheme. The Key Performance Measures (KPM) which Services Australia is to perform their duties. This includes an agreed service level for processing TFES claims within 30-days from the date the claimant submits a claim is 80%. Services Australia has consistently achieved between 94% and 96% of claims processed within the 30-day KPM; from the date the claimant submits a claim. Since its introduction in 2019, interest paid on claims exceeding the 30-day processing time limit, only 1 interest payment of \$1,311.34 has been made.

## 6.2 TFES administration by Services Australia

Services Australia commenced administering the Scheme on behalf of the Department of Infrastructure in 1998, following Machinery of Government changes.

Administration of the Scheme includes:

- registration of businesses, including Claims Agents;
- assessing eligibility of goods travelling southbound, within the context of the business registering the goods;
- assessing and paying claims;
- reviews of decision;
- provision of information through the Services Australia website, the 131 158 phone line, and email: [tfes.support@servicesaustralia.gov.au](mailto:tfes.support@servicesaustralia.gov.au); and services provided to the department as outlined in the Services Schedule.

Businesses or individuals must register for the Scheme prior to claiming. This requires completing a form and sending it to Services Australia. Following registration, TFES claims can be lodged online via the Centrelink Business Online portal or via a paper form. Over 90% of claims are lodged online.

For southbound claims, the goods being shipped must be registered before submitting a claim, as outlined in the southbound eligibility section of this submission. Southbound goods may be eligible for one claimant and not for another depending on their business structure and how the goods are used by the business. For example, an eligible southbound claimant must be engaged in the manufacturing, mining, or agriculture, forestry and fishing industry as described by Division A, B or C of the Australian and New Zealand Standard Industrial Classification 2006, as amended from time to time.

Claimants may authorise an approved Claims Agent to act on their behalf. Some Claims Agents operate in an administrative capacity, while other Claims Agents support particular industries or business models. For example, an agricultural supplier may be an approved Claims Agent and pay for shipping upfront, then factor the TFES rebate into the cost of the goods (e.g. mixed grain for animal feed, livestock suppliers).

Due to the multifaceted and complex nature of the Scheme, Services Australia invests considerable time in the training of its staff, to ensure that TFES claims are made in line with the relevant Ministerial Directions. Services Australia partners closely with the department to ensure decisions align to the Ministerial Directions. Services Australia is committed to delivering timely payment of claims and consistently exceeds the claim processing KPM.

The ICT system used to administer the Scheme was introduced in 2009, with further system changes occurring in 2016 and 2021 to accommodate the expansion of the Scheme. The current TFES system allows for claims to be lodged by users and assessed by Services Australia. If a business wishes to change business details they must do so by providing the relevant details and supporting information by email or post. Once received this information is scanned and recorded against the relevant business details.

## 7) Shipping costs, competition and shipping industry competitive structures across Bass Strait and alternative freight options

### 7.1 Bass Strait trade

The TFES and the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES) have contributed to the growth of shipping services across Bass Strait. Bass Strait is currently Australia's busiest coastal shipping route and is serviced by 3 Australian shipping operators: Strait Link Shipping (formerly Toll Shipping), SeaRoad Shipping, and TT-Line, with 6 vessels regularly operating between Tasmania and the mainland.

Bass Strait Freight operates a shipping service to Lady Barron, Cape Barren and the Furneaux Group Islands, with an as required service to King Island and Port Welshpool, Victoria using the *Matthew Flinders III* and *Matthew Flinders IV*<sup>8</sup>.

Eastern Shipping Line operates the *King Islander* and the *Statesman* Shipping freight to and from Stanley, King Island, Flinders Island, Port Welshpool Victoria and other mainland ports<sup>9</sup>.

A decision by Tasports in March 2022 to cease a direct service from King Island to mainland Australia means all shipments from the island, with the exception of a small number of ad hoc direct services, must tranship to the mainland via the main island of Tasmania. Section 4.1 details this service change for King Island.

Bass Island Line, provides a weekly shipping service between the Port of Devonport and Port of Grassy on King Island with its vessel the *John Duigan*, and transhipment services to mainland Australia.

TT-Line is expecting 1 new vessel the *Spirit of Tasmania IV* to arrive late 2024 and the second *Spirit of Tasmania V* in 2025. SeaRoad Shipping is expecting its new vessel *SeaRoad I* to be operating in 2025.

Between August 2024 and December 2024, Strait Link vessels, *Tasmanian Achiever II* and *Victorian Reliance II* will be sequentially re-routed to Singapore for routine dry docking and maintenance, with the Ro-Ro vessel *Peregrine* filling the absence while each vessel is being serviced.

### 7.2 Alternative freight options

The alternative freight option for moving freight to Tasmania is via aircraft from either Launceston Airport in Tasmania's north or Hobart Airport in the south. Devonport Airport also handles some freight but the volume are low compared for Hobart and Launceston, which are the main mail and freight hubs for Tasmania. There are other smaller airports but they only provide passenger flight movements, not regular freight services. Air shipments of freight are generally high value cargos shipped in low volumes, for time sensitive freight. In the case of Tasmania 99% of sea freight is moved by sea given the high volume and largely non time sensitive nature of the goods.

## 8) TFES monitoring

In March 2015, the government announced that TFES would be subject to ongoing monitoring processes, with the BITRE conducting 4-yearly review of all components of TFES. The most recent TFES monitoring review took place in 2020, with BITRE undertaking its next scheduled review in 2024.

In the past, BITRE undertook TFES parameter reviews (2008, 2011, and 2013) to review and test that the current TFES parameters were correct and fit for purpose.

<sup>8</sup> Bass Strait Freight – Services, <https://bassstraitfreight.com.au/services/>. September 2024

<sup>9</sup> Eastern Shipping Line. <https://www.easternline.com.au/>. September 2024

## 9) TFES data

In 2023-24 claims made under the manufacturing claimant category received the most TFES support, followed by agriculture. Significant claims were also received by the forestry, fishing and mining categories. The smallest categories by value were professional entertainers / sportsperson, and charitable organisations.

The top 10 claimants in 2023-34 were:

Table 1 – TFES Top 10 Claimants 2023-24<sup>10</sup>

Rank	Claimant Name
1	SIMPLOT AUSTRALIA P/L
2	NORSKE SKOG BOYER MILL
3	NYRSTAR SALES & MARKETING AG
4	MONDELEZ AUSTRALIA PTY LTD
5	WESTERN JUNCTION SAWMILL PTY LTD
6	MCCAIN FOODS (AUST)P/L
7	SAPUTO DAIRY AUSTRALIA PTY LTD
8	TIMBERLINK AUSTRALIA PTY LTD
9	TASMANIAN STOCKFEED SERVICES (MANUFACTURING)
10	FONTERRA AUSTRALIA PTY LTD

In 2023-24, more than 17,024 claims were received from 1,759 individual claimants. For each claim, the number of sub-items for individual shipments range from a single item to many thousands of items.

The top 20 commodities for 2022-23 are provided in the below table:

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<sup>10</sup> TFES Top 20 Claimants 2023/24. Compiled from the Tasmanian Transport Schemes Quarterly Reports, Qtr1-4, Services Australia (2024).

Table 2 TFES top twenty commodity categories, TEUs and payments, 2022-23<sup>11</sup>

Commodity	Total volume (TEUs)	Total payments (million \$) *
Vegetables - frozen/processed/prepared	34,974	29.6
Wood - processed	17,242	14.2
Newsprint	16,607	12.7
Fish - fresh or chilled	10,840	6.9
Dairy - milk (processed)	9,693	7.8
Confectionary and chocolate products - other	9,269	7.6
Vegetables - fresh	9,062	7.2
Animal feed - preparations	8,479	7.2
Metals - unwrought copper/nickel/lead/zinc	8,134	5.8
Metals - aluminium powder/paste/ingots	6,361	4.5
Fruit - fresh	5,706	4.3
Waste - metal waste & scrap	4,522	3.7
Dairy - cheese and curd	4,097	3.4
Animals - cattle (adult)	3,887	3.3
Waste - scrap paper or paperboard	3,732	2.7
Raw vegetable material - fodder/straw or pellets	3,448	2.9
Animals - sheep (lambs)	3,103	2.7
Fabricated metal - other metal goods	3,090	2.6
Cereals - wheat	3,060	2.6
Meat - frozen/processed/other	3,050	2.1
<b>TOTAL – All Commodities</b>	<b>232,520</b>	<b>\$182.0</b>

Note Shipments for relevant year, claims accepted and paid. Trade summarised as TEUs. Excludes entries with nil payments.

Source BITRE analysis of TFES database, August 2024 update

\* Table 2 based on date of shipment

Of the commodities shipped under TFES the top 5, in terms of both TEUs and assistance paid, were:

- Vegetables – frozen/processed/prepared (34,974 TEUs, 15% of the total volume of shipments supported under TFES).
- Wood – processed (17,242 TEUs, 7.4% of the total volume of shipments supported under TFES)
- Newsprint (16,607 TEUs, 7.1% of the total volume of shipments supported under TFES).
- Fish - fresh or chilled (10,804 TEU, 4.6% of the total volume of shipments supported under TFES)
- Dairy - milk (processed) (9,693 TEU, 4.1% of the total volume of shipments supported under TFES)

The Top 10 Commodities by TFES Component is provided at Attachment B.

## 9.1 Cost and budget of the scheme

The legislative power to spend under TFES is provided under Schedule 1AA of the Financial Framework (Supplementary Powers) Regulations 1996. The Regulations identify the objective of the Scheme as:

- *To provide financial assistance in respect of the cost of moving non - bulk freight by sea between Tasmania and the Australian mainland, or the main island of Tasmania and King Island or islands of the Furneaux Group.*

<sup>11</sup> TFES top twenty commodity categories, TEUs and payments, 2022-23, Tasmanian Freight Equalisation Scheme – Monitoring Review 2024, pg 7, Bureau of Infrastructure Transport and Research Economics (2024).

TFES funding is appropriated through the Portfolio Budget Statements (PBS) under Outcome 2, Program 2.1: Surface Transport. Below are the annual financial figures (including accruals) and forecasts from 2018-19 to 2026-27.

**Table 4 TFES Actual and Forecast Expenditure**

	2018-19 (\$m)	2019-20 (\$m)	2020-21 (\$m)	2021-22 (\$m)	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m) (at 31 August 2024)	2025-26 (\$m)	2026-27 (\$m)
Estimated Expenditure as per PBS									
<b>Tasmanian Freight Equalisation Scheme funding</b>	<b>172.6</b>	<b>173.7</b>	<b>174.8</b>	<b>176.0</b>	<b>178.0</b>	<b>180.0</b>	<b>182.0</b>	<b>182.0</b>	<b>182.0</b>
Actual expenditure (including accruals)									
TFES Domestic & Expanded component	150.7	158.4	163.0	167.7	173.1	180.3	36.3	-	-
King Island & Furneaux Group component	2.5	2.8	2.4	2.4	2.6	2.4	0.3	-	-
TFES Imported Component	-	-	-	0.6	3.0	2.4	0.6	-	-
<b>Total accrued expenditure</b>	<b>153.2</b>	<b>161.2</b>	<b>165.4</b>	<b>170.7</b>	<b>178.5</b>	<b>185.2</b>	<b>37.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Annual difference between estimated and actual expenditure</b>	<b>19.4</b>	<b>12.5</b>	<b>9.4</b>	<b>5.3</b>	<b>-0.5</b>	<b>-5.2</b>	<b>144.8</b>	<b>182.0</b>	<b>182.0</b>

Table 4 figures include the TFES accrual.

As a demand driven Scheme, funding will be available for any eligible claim. If demand is likely to exceed initial Budget forecasts, adjustments are made in line with usual government budgetary appropriation processes for demand driven programs with no requirement that government consider the additional expenditure. The annual TFES budget is not indexed and the forecast budget is set annually in line with expected costs.

## 10) List of Attachments

Attachment A – Tasmanian Freight Equalisation Scheme Ministerial Directions 2015

Attachment B – Top 10 Commodities by TFES Component



## **MINISTERIAL DIRECTIONS**

### **FOR THE OPERATION OF THE TASMANIAN FREIGHT EQUALISATION SCHEME**

Approved by the Minister for Infrastructure and Regional Development  
The Honourable Warren Truss MP  
12 November 2015

Schedule 1 variation approved by the Secretary of  
the Department of Infrastructure and Regional Development  
23 December 2015

Subclause 1.7.1 variation approved by the Minister for Infrastructure and Transport  
20 April 2016

Clause 4.5 variation approved by the Delegate of the Secretary of the Department of  
Infrastructure and Regional Development  
13 February 2017

Variation to Subclause 1.5.1, Clause 6.2 and Subclauses 6.2.1, 6.2.2, and 6.2.3  
approved by the Delegate of the Secretary of the Department of Infrastructure and  
Regional Development  
7 June 2017

Variation to Subclause 1.7.2, Clause 4.6 (heading), Subclauses 4.6.1, 4.6.2, 4.6.3 and  
4.9.2 approved by the Delegate of the Secretary of the Department of Infrastructure  
and Regional Development  
9 November 2017

Schedule 1 variation approved by the Delegate of the Secretary of  
the Department of Infrastructure, Regional Development and Cities  
9 August 2018

Schedule 1 variation approved by the Delegate of the Secretary of  
the Department of Infrastructure, Regional Development and Cities on 1 March 2019  
and taken to have commenced on 1 January 2018

Schedule 1 variation approved by the Delegate of the Secretary of the Department of  
Infrastructure, Transport, Cities and Regional Development on 28 June 2019  
and taken to have commenced on 1 July 2019

Variation to Subclauses 1.4.1(e), 1.5.1, 1.5.2, 3.15.3, 4.8.3, 4.8.4, 4.11.1, 4.11.2,  
4.11.3, and 4.11.4, Variation to Clause 5.1 and Subclauses 5.1.1 and 5.1.1(b),  
Variation to Part 5A (Heading), Subclauses 5A.1, 5A.2, and 5A.3 approved by the  
Minister for Infrastructure, Transport and Regional Development  
2 October 2019

Schedule 1 variation approved by the Delegate of the Secretary of the Department of Infrastructure, Transport, Regional Development and Communications on 5 February 2020.

Variation to clauses 1.1.1, 1.5.1, 4.13.1(a), 5.5.2(a), 5A.1.2, 5A.2.1, 8.1.3, 8.1.5 and 8.1.7 approved by the Secretary of the Department of Infrastructure, Transport, Regional Development and Communications on 24 December 2020

Variation to clauses 1.3.2, 1.3.5 (new subclause), 1.5.1, 1.8.1, 2.2.4, 2.9.3(a), 3.1.2, Subpart 3B (heading), 3.5A (new clause), 3.6.1, 3.7.1, 4.8.3, 4.9.1(h) (new subclause), 4.12 (heading), 4.12.4 (new subclause), 5.5.3 (new subclause), 7.1.1, 8.2.3, 8.4A (new clause), 8.5.1, Schedule 1 and Schedule 1A (new schedule) approved by the Minister for Infrastructure, Transport and Regional Development 3 June 2021

Variation to Subclause 1.5.1, Clause 2.11A (new clause), and Subclause 4.9.1(i) (new subclause) approved by the Assistant Minister for Infrastructure and Transport 19 July 2024 and taken to have commenced on 1 May 2024

## CONTENTS

CONTENTS.....	3
<b>PART 1—PRELIMINARY .....</b>	<b>7</b>
1.1 Short title.....	7
1.2 Commencement.....	7
1.3 Aim of Scheme.....	7
1.4 Overview of these Directions.....	7
1.5 Definitions.....	8
1.6 Meaning of <i>manufacturing, mining, or agriculture, forestry and fishing industry</i> .....	12
1.7 Meaning of <i>transshipment</i> .....	12
1.8 Date of shipment .....	13
1.9 Manner of transmission and date of receipt of claims, notices etc .....	13
1.10 Interpretation.....	14
<b>PART 2—ELIGIBILITY FOR ASSISTANCE.....</b>	<b>14</b>
2.1 Overview of eligibility rules .....	14
2.2 Application of <i>incurred and paid the cost of shipping</i> requirement .....	14
2.3 Northbound assistance—general eligibility .....	15
2.4 Meaning of <i>eligible northbound goods</i> .....	15
2.5 Northbound assistance—additional rates of assistance for goods shipped from King Island and Furneaux Group .....	15
2.6 Northbound assistance—sportspersons and professional entertainers.....	16
2.7 Northbound assistance—brood mares.....	17
2.8 Southbound assistance—general eligibility .....	17
2.9 Meaning of <i>eligible southbound goods</i> .....	17
2.10 Southbound assistance—sportspersons and professional entertainers.....	18
2.11 Southbound assistance—brood mares and foals .....	18
2.11A Southbound assistance – charitable organisations providing hardship relief .....	19
2.12 Intrastate assistance—general eligibility.....	19
2.13 Meaning of <i>eligible intrastate goods</i> .....	19
2.14 Intrastate assistance—sportspersons and professional entertainers .....	21
2.15 Intrastate assistance—brood mares and foals .....	21
2.16 Transport by air in exceptional circumstances.....	21
<b>PART 3—AMOUNT OF ASSISTANCE .....</b>	<b>22</b>
<b>SUBPART 3A - GENERAL .....</b>	<b>22</b>
3.1 Assistance payable .....	22
3.2 TEU adjustment .....	22
3.3 General rules affecting calculation of assistance .....	23
3.4 Assistance for air transported goods .....	23
<b>SUBPART 3B - ASSISTANCE FOR TRANSHIPPED AND IMPORTED GOODS .....</b>	<b>23</b>

3.5	Assistance payable for goods shipped to the mainland for the purpose of transhipment.....	23
3.5A	Assistance payable for imported goods shipped to Tasmania .....	23
3.6	Subsidies or rebates provided to claimants .....	24
	SUBPART 3C - ASSISTANCE IN ALL OTHER CASES .....	24
3.7	Assistance payable .....	24
3.8	Notional wharf to wharf freight cost.....	25
3.9	Door to door adjustment.....	25
3.10	Route scaling factor adjustment .....	26
3.11	Road freight equivalent cost and notional entitlement.....	26
3.12	Sliding scale applied to notional entitlement .....	27
3.13	Furneaux Group Additional Assistance .....	27
3.14	Charitable organisations.....	27
3.15	High density assistance .....	28
3.16	Subsidies or rebates provided to claimants .....	28
	 PART 4—CLAIMS PROCESS .....	 28
	SUBPART 4A - CLAIMS AGENTS .....	28
4.1	Who may be a claims agent?.....	28
4.2	Variation or revocation of approval as claims agent.....	29
4.3	Acting as claims agent for claimants .....	30
4.4	Obligations of claims agent.....	30
	SUBPART 4B - SELF-ASSESSED CLAIMANTS.....	30
4.5	Who may be a self-assessed claimant? .....	30
4.6	Variation, suspension or revocation of approval as self-assessed claimant.....	31
4.7	Obligations of self-assessed claimant .....	31
	SUBPART 4C - MAKING A CLAIM .....	32
4.8	Claim for assistance .....	32
4.9	Documentary evidence required with claim .....	32
4.10	Documentary evidence required with claim lodged by BGSF.....	33
4.11	Secretary may request supplementary information.....	33
4.12	Timeframes for lodging claims .....	34
4.13	Proof of identity a pre-condition of assistance.....	34
4.14	Registration a pre-condition for southbound assistance.....	34
	 PART 5—PAYMENT OF CLAIM .....	 35
5.1	Secretary may make payment of assistance .....	35
5.2	Payment into account nominated by claimant .....	35
5.3	Notification of claimant .....	35
5.4	Assistance is subject to conditions.....	35
5.5	Assistance may be denied, reduced or withheld if condition etc breached.....	36
5.6	Assistance may be recovered if condition breached .....	37
5.7	Assistance may be reduced or increased if purpose of goods changes .....	37
5.8	Overpayments and underpayments .....	37
	 PART 5A—PAYMENT OF INTEREST IF PAYMENT OF CLAIM DELAYED ...	 38
5A.1	Secretary may pay interest if there is a delayed payment of assistance .....	38
5A.2	Amount of interest payable.....	39

5A.3 Same requirements apply to payment of interest.....	40
PART 6—AUDIT.....	40
6.1 Documents relating to claim to be kept for 5 years .....	40
6.2 Entry of Secretary to inspect etc documents relating to claim.....	40
6.3 Supplementary information.....	41
6.4 Independent audit of claim.....	41
6.5 Compliance with audit obligations a condition of assistance .....	41
PART 7—REVIEW OF DECISIONS.....	41
7.1 Application for review of decision.....	41
7.2 Reassessment of decision.....	41
7.3 Review of reassessment by departmental review officer.....	42
7.4 Formal requirements of request for reassessment or review.....	42
7.5 Extension of time to complete reassessment or review .....	42
PART 8—ADMINISTRATION.....	42
8.1 Secretary to administer Scheme .....	42
8.2 Minister or Secretary may vary Directions .....	43
8.3 Secretary may issue Guidelines .....	43
8.4 Application to vary Schedule 1—eligible northbound and intrastate goods....	44
8.4A Application to vary Schedule 1A—ineligible imported goods .....	44
8.5 Extension of time to decide application .....	45
8.6 Secretary may extend time limits for claimant or claims agent.....	45
PART 9—PUBLICATION OF INFORMATION ON OPERATION OF SCHEME.	45
9.1 Secretary must publish Directions and Guidelines (if any) .....	45
9.2 Secretary may publish information about operation of Scheme .....	45
9.3 Secretary may exempt claimant’s information from publication.....	46
PART 10— MISCELLANEOUS AND TRANSITIONAL PROVISIONS .....	46
10.1 Application of new Ministerial Directions.....	46
10.2 Application of previous Ministerial Directions.....	46
10.3 Saving of registration as a claimant .....	46
10.4 Transition period for ‘clause 12 agents’ .....	47
10.5 Review of the operation of the Scheme .....	47

## SCHEDULES

Schedule 1 – Goods eligible for assistance under the northbound and intrastate components of the Scheme

Schedule 1A – Imported goods ineligible for assistance

Schedule 2 – Route scaling factors

Schedule 3 – Sliding scale of assistance

## PART 1—PRELIMINARY

### 1.1 Short title

- 1.1.1 \*These Directions may be cited as the Tasmanian Freight Equalisation Scheme Ministerial Directions 2015.

### 1.2 Commencement

- 1.2.1 \*These Directions commence on 1 January 2016.

Note: For treatment of claims relating to \*shipments before 1 January 2016, and other matters to do with the transition from the \*Scheme before that date, see Part 10.

### 1.3 Aim of Scheme

- 1.3.1 The aim of the \*Scheme is to provide financial assistance in respect of the cost of moving certain categories of non-bulk goods by sea between:

- (a) the \*mainland and Tasmania; or
- (b) King Island and the main island of Tasmania; or
- (c) the Furneaux Group and the main island of Tasmania.

- 1.3.2 Subject to clauses 1.3.4 and 1.3.5, for the purposes of the Scheme, the amount of financial assistance is based on the difference between the freight costs of shipping goods by sea on the routes specified below, and the notional freight costs of shipping them by road over an equivalent distance:

- (a) between \*northern Tasmania and Victoria (420 km);
- (b) between the main island of Tasmania and King Island (300 km);
- (c) between the main island of Tasmania and the Furneaux Group (115km).

- 1.3.3 In \*these Directions, the notional road freight cost is called the \*road freight equivalent cost (or RFE) and is set at a fixed amount (see clause 3.11).

- 1.3.4 However, where goods are shipped from Tasmania to the mainland for the purpose of \*transshipment, the amount of financial assistance is fixed in accordance with clause 3.5.

- 1.3.5 Further, where \*imported goods are shipped to Tasmania from the mainland, the amount of financial assistance is fixed in accordance with clause 3.5A.

### 1.4 Overview of these Directions

- 1.4.1 The main elements of the \*Scheme are set out in \*these Directions as follows:

- (a) this Part (Part 1) is introductory and includes definitions of terms used in these Directions;
- (b) Part 2 contains the rules on whether a \*person is **eligible for \*assistance** under the Scheme;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (c) if a person is eligible, the **amount of assistance** for which they are eligible is worked out under Part 3;
- (d) Part 4 sets out what a person needs to do to **claim** assistance, including the documentary evidence the person needs to have to support the claim. Part 4 also allows a claimant to apply to be a \*self-assessed claimant, and to lodge claims using a **\*claims agent**, and sets out rules applying to self-assessed claimants and claims agents;
- (e) Part 5 deals with **payment** of the claim;
- (ea) Part 5A deals with payment of **interest** if there is a delay in payment of the claim;
- (f) Part 6 sets out the powers the Commonwealth has to enable it to **audit** claims and verify information given about claims;
- (g) Part 7 sets out the procedure to be followed by a person who wants a **review of a decision** affecting them;
- (h) Part 8 contains provisions about **how the Scheme is administered**;
- (i) Part 9 allows for the **publication** of certain information about the operation of the Scheme;
- (j) Part 10 deals with miscellaneous matters and the **transition** of the Scheme from the rules in force before 1 January 2016, to those in force after that date.

## 1.5 Definitions

Note: Throughout these Directions, an asterisk is used as a reminder that the word or phrase after the asterisk is defined in clause 1.5 (for example: \*eligible northbound goods). The asterisk occurs only the first time a term is used in a clause.

### 1.5.1 In \*these Directions:

**administrator** means a \*person or body with whom the \*Secretary has entered an arrangement under clause 8.1.

**agriculture, forestry and fishing industry** has the meaning given by clause 1.6.

**ANZSIC 2006** means the Australian and New Zealand Standard Industrial Classification 2006, as amended from time to time.

Note: At the time these Directions were made (2015), ANZSIC 2006 could be obtained from the website of the Australian Bureau of Statistics (cat. No. 1292.0).

**approved** means approved by the \*Secretary in writing.

**assistance** means financial assistance under \*these Directions.

**Australian equivalent**, in relation to \*imported goods in respect of which assistance is being claimed, means goods that the Secretary is satisfied are:

- (a) not imported goods; and

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



- (b) put, or capable of being put, to a use that corresponds with a use (including a design use) to which the imported goods can be put (the *desired use*); and
- (c) suitable for being put to the desired use in the course of activities carried out by the claimant in Tasmania that are listed in Divisions A, B or C of \*ANZSIC 2006; and
- (d) available to the claimant for the desired use in sufficient scale and quality.

**BGSF company** is an abbreviation for ‘bulk grain storage facility company’ and means a company that:

- (a) ships grain to Tasmania from the \*mainland; and
- (b) stores the grain in a storage facility in Tasmania that has a storage capacity of 2,000 tonnes or more.

**bulk cargo** means any freight that is shipped loose in a ship’s holds or tanks without any form of unitisation or packaging.

**business day** means a day other than:

- (a) a Saturday or Sunday; or
- (b) a public holiday in the place concerned; or
- (c) a day during the \*administrator’s reduced activity period.

Note: The administrator’s reduced activity period occurs around Christmas and New Year. The exact dates will vary each year and can be found in the Services Australia Enterprise Agreement.

**charitable organisation** means a charity referred to in section 5 of the *Charities Act 2013* (Cth).

**claims agent** means a \*person \*approved under clause 4.1.

**date of shipment** has the meaning given in clause 1.8.

**Department** means the Department administered by the \*Minister.

**departmental review officer** means a Senior Executive Service employee in the \*Department authorised to conduct reviews under clause 7.3.

**document** has the meaning given to that word in section 2B of the *Acts Interpretation Act 1901*.

**door to door adjustment** means the adjustment described in clause 3.9.

**electronic communication** has the same meaning as in the *Electronic Transactions Act 1999*.

**eligible Furneaux Group goods** has the meaning given by subclause 2.5.3.

**eligible intrastate goods** has the meaning given by clause 2.13.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

***eligible northbound goods*** has the meaning given by clause 2.4.

***eligible southbound goods*** has the meaning given by clause 2.9.

***FC*** is an abbreviation for \*fixed intermodal cost.

***FCL*** is an abbreviation for \*full container load.

***fixed intermodal cost*** means the amount of \$100 per \*TEU attributable to unavoidable intermodal costs incurred when goods are moved by sea between the \*mainland and Tasmania, or between King Island and the main island of Tasmania, or between the Furneaux Group and the main island of Tasmania.

***full container load*** means a container utilised at its maximum capacity for the freight in it.

***Guidelines*** means Guidelines issued by the Secretary under clause 8.3.1.

***high density freight*** means freight which when efficiently packed has a stowage factor of 1.1 cubic metres or less per tonne.

***imported goods*** means goods imported into Australia which have not undergone a \*manufacturing process on the mainland.

***incurred and paid*** is explained in clause 2.2.

***independent auditor*** means a \*person who is registered as an auditor under section 1280 of the *Corporations Act 2001* and:

- (a) in relation to a claimant who is an individual—is not an employee of the individual; and
- (b) in relation to a claimant who is a company—is not an employee, public officer, member or employee of a member of the claimant company; and
- (c) in relation to a claim lodged by a \*claims agent—is also not an employee, public officer, member or employee of a member of the claims agent.

***LCL*** is an abbreviation for \*less than a container load.

***less than a container load*** means a container utilised at less than its maximum capacity for the freight in it.

***mainland*** means the mainland of Australia.

***manufacturing industry*** has the meaning given by clause 1.6.

***manufacturing process*** means a process that:

- (a) transforms material or a product into a new product; and

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (b) is carried out in the course of activities defined in Division C of ANZSIC 2006.

**mining industry** has the meaning given by clause 1.6.

**Minister** means the Commonwealth Minister responsible for the administration of \*these Directions.

**northern Tasmania** means the area in Tasmania north of latitude 42 degrees south.

**notional entitlement** has the meaning given by subclauses 3.7.2 and 3.7.4.

**notional wharf to wharf freight cost (WW)** has the meaning given by clause 3.8.

**online portal** means the online portal established by the Secretary or the administrator in relation to the \*Scheme.

Note: The administrator will automatically give eligible claimants access to the Scheme online portal.

**person** means a person (including an individual or a company) who is a resident of Australia for the purposes of the *Income Tax Assessment Act 1936*.

**public sector auditor** means the Auditor-General of the Commonwealth, a State or a Territory.

**reassessment officer** means an employee of the administrator, or of the \*Department, who is authorised by the \*Secretary to conduct reviews under clause 7.2.

**record** has the meaning given to that word in section 2B of the *Acts Interpretation Act 1901*.

**reefer** means a refrigerated shipping container, or other refrigerated transport unit, used for the transportation of temperature sensitive cargo.

**RFE** - see \*road freight equivalent cost.

**road freight equivalent cost (RFE)** means, in relation to a shipment of goods, the relevant amount set out in subclause 3.11.1.

**route scaling factor adjustment** means the adjustment described in clause 3.10.

**Secretary** means the \*person from time to time occupying the position of Secretary of the \*Department.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

**Scheme** means the Tasmanian Freight Equalisation Scheme referred to in item 419.001 of Part 4 of Schedule 1AA to the *Financial Framework (Supplementary Powers) Regulations 1997*.

**self-assessed claimant** means a claimant approved under clause 4.5.2.

**SES employee** means an SES employee or an acting SES employee, within the meaning of the *Public Service Act 1999*.

**shipment** means shipment by sea.

**southern Tasmania** means the area in Tasmania south of latitude 42 degrees south.

**standard weight assistance** means, in relation to a consignment of goods, the relevant amount worked out under subclause 3.12.1 or 3.14.1.

**TEU** means a standard 6.1 metre container or \*reefer equivalent.

**these Directions** means the Tasmanian Freight Equalisation Scheme Ministerial Directions 2015, as amended from time to time.

**transhipment** has the meaning given by clause 1.7.

**transport unit** means a \*TEU, trailer, tanker or any other container in which goods are placed for \*shipment.

**WW** - see \*notional wharf to wharf freight cost.

1.5.2 The rules for calculating time in section 36 of the *Acts Interpretation Act 1901* apply to these Directions as if it were an Act.

## **1.6 Meaning of *manufacturing, mining, or agriculture, forestry and fishing industry***

1.6.1 In \*these Directions, a reference to the ***manufacturing, mining, or agriculture, forestry and fishing industry*** is taken to be a reference to that industry as described in Division A, B or C of \*ANZSIC 2006.

## **1.7 Meaning of *transhipment***

1.7.1 For the purpose of \*these Directions, goods are shipped to the \*mainland for the purpose of ***transhipment*** if the goods are shipped from Tasmania to a port on the mainland, and arrangements have been made for the goods to be off-loaded from the vessel on which they were shipped to the port and:

- (a) carried on a separate voyage (whether on the same vessel or a different vessel) to a point beyond Australia within 6 months of the \*date of shipment; or
- (b) carried by aircraft to a point beyond Australia within 6 months of the date of shipment; or

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (c) handled in a manner determined in writing by the \*Secretary for the purposes of this paragraph.

1.7.2 For the purpose of these Directions, goods are also taken to be shipped to the mainland for the purpose of *transshipment* if the goods are shipped from Tasmania to a port on the mainland, and arrangements have been made for the goods to be off-loaded from the vessel on which they were shipped to the port, and:

- (a) the final destination of the goods is unknown at the time the claim is made; or
- (b) the goods are to be transported to a point beyond Australia at a time after 6 months from the date of shipment; or
- (c) the date on which the goods are to be transported to a point beyond Australia is unknown at the time the claim is made.

Note 1: If assistance is paid in respect of goods to which clause 1.7.2 applies, the claimant (or the claimant's claims agent) is required to notify the Secretary of the final destination of the goods, and the date on which the goods were transported to a point beyond Australia (whichever is applicable) (clause 5.4.1(d)).

Note 2: If assistance is paid in respect of goods to which clause 1.7.2 applies, and such goods are repurposed for permanent use, or sale, on the mainland within 6 months of the date of shipment, a claimant may notify the Secretary of this and have the amount of assistance adjusted (clause 5.7).

## **1.8 Date of shipment**

1.8.1 For the purpose of \*these Directions, the *date of shipment* of goods is:

- (a) if the goods are \*imported goods—the date the ship left the port on the \*mainland to ship the goods to Tasmania;
- (b) in all other cases—the date the ship left the port at which the goods were loaded onto the ship for the first leg of the journey in relation to which assistance is being sought.

1.8.2 However, where a claimant is unable to provide a date of shipment in respect of goods, \*these Directions are to apply in respect of those goods as if each reference to the date of shipment of goods were a reference to the date of the consignment note applicable to the goods.

## **1.9 Manner of transmission and date of receipt of claims, notices etc**

1.9.1 Except where \*these Directions expressly provide otherwise, where these Directions require information in writing to be given, lodged, or received within a specified time, the information may be transmitted by hand, prepaid post, facsimile or \*electronic communication.

1.9.2 The information is taken to be duly given or lodged, and received:

- (a) if delivered by hand—when delivered;
- (b) if sent by post to the \*Secretary or the \*administrator—when the information enters into the possession of the addressee;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (c) if sent by post to a person other than the Secretary or the administrator—on the third \*business day after posting;
- (d) if sent by facsimile—on the business day after the day the sender received the appropriate transmission report;
- (e) if sent by electronic communication—when the electronic communication enters the addressee’s information system.

## 1.10 Interpretation

1.10.1 In \*these Directions:

- (a) words in the singular include the plural and words in the plural include the singular; and
- (b) where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.

## PART 2—ELIGIBILITY FOR ASSISTANCE

### 2.1 Overview of eligibility rules

2.1.1 The \*Scheme has different eligibility rules, depending on whether the goods are being shipped:

- (a) north from Tasmania to the \*mainland (see clauses 2.3 to 2.7 dealing with the northbound component of the Scheme); or
- (b) south from the mainland to Tasmania (see clauses 2.8 to 2.11 dealing with the southbound component of the Scheme); or
- (c) between the main island of Tasmania and King Island, or between the main island of Tasmania and the Furneaux Group (see clauses 2.12 to 2.15 dealing with the intrastate component of the Scheme).

### 2.2 Application of *incurred and paid the cost of shipping* requirement

2.2.1 A \*person is not eligible for \*assistance under any component of the \*Scheme unless the person has \*incurred and paid the cost of shipping the goods concerned between Tasmania and the \*mainland, between the main island of Tasmania and King Island, or between the main island of Tasmania and the Furneaux Group.

2.2.2 Some examples of situations where a person is taken *not* to have *incurred and paid the cost of shipping* are where the person incurred the cost in the course of providing a commercial service to a client of any of the following:

- (a) shipping;
- (b) arranging shipping;
- (c) advising on shipping;
- (d) advising on this \*Scheme.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 2.2.3 A person is also taken *not* to have *incurred and paid the cost of shipping* if the person:
- (a) did, or may have, set the price of shipping the goods concerned; or
  - (b) is involved in a non-arms-length commercial arrangement with a person who did, or may have, set the price of shipping the goods concerned.
- 2.2.4 A person may be taken to have *incurred and paid the cost of shipping* even if they have not dealt directly with the shipping company. For example, if the person engages an intermediary such as a customs broker, freight broker, freight forwarder or freight logistics business to arrange the \*shipment, that person ultimately bears the cost of shipping, in the form of charges payable to the intermediary. Conversely, because the intermediary recovers the cost of shipping from its client, the intermediary is taken not to have incurred the cost.
- 2.2.5 A person may also be taken to have *incurred and paid the cost of shipping* if:
- (a) the person is the seller of goods; and
  - (b) the goods have been shipped to the mainland for the purpose of \*transshipment; and
  - (c) the buyer and the seller of the goods have entered into an arrangement whereby the buyer pays for the cost of shipping the goods; and
  - (d) the buyer is not a resident of Australia for the purposes of the *Income Tax Assessment Act 1936*.

### **2.3 Northbound assistance—general eligibility**

- 2.3.1 A \*person is eligible for \*assistance in relation to goods shipped from Tasmania to the \*mainland if:
- (a) the goods are \*eligible northbound goods; and
  - (b) the person has \*incurred and paid the cost of shipping the goods; and
  - (c) assistance has not been paid to any other person in respect of that \*shipment of those goods.

### **2.4 Meaning of *eligible northbound goods***

- 2.4.1 The term *eligible northbound goods* means goods that are listed in Schedule 1 and produced or manufactured in Tasmania for permanent use, or sale, on the \*mainland, or which have been shipped to the mainland for the purpose of \*transshipment.
- 2.4.2 However, goods that are shipped as \*bulk cargo are not *eligible northbound goods*.

### **2.5 Northbound assistance—additional rates of assistance for goods shipped from King Island and Furneaux Group**

- 2.5.1 If a \*person is eligible for \*assistance under clause 2.3, and the relevant goods have been shipped from King Island to the \*mainland for the purpose of

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

\*transshipment, the person is eligible for assistance in relation to those goods at an additional rate.

Note: The additional rate is specified in subclause 3.5.2 (in relation to goods shipped for the purpose of transshipment).

2.5.2 If a person is eligible for assistance under clause 2.3, and:

- (a) the relevant goods have been shipped from the Furneaux Group to the mainland for the purpose of transshipment; or
- (b) the relevant goods are \*eligible Furneaux Group goods which have been produced or manufactured on the Furneaux Group for permanent use, or sale, on the mainland;

the person is eligible for assistance in relation to those goods at an additional rate.

Note 1: The additional rate paid in respect of goods shipped from the Furneaux Group to the mainland for the purpose of transshipment differs depending on whether the goods are eligible Furneaux goods. The additional rates are specified in clause 3.5.3.

Note 2: The additional rate paid in respect of eligible Furneaux goods shipped for permanent use, or sale, on the mainland is specified in clause 3.13.

2.5.3 Goods are *eligible Furneaux Group goods* if:

- (a) the goods are \*eligible northbound goods; and
- (b) the goods have been shipped from the Furneaux Group to the mainland via the main island of Tasmania; and
- (c) the \*shipment of the goods involved a land transport component on the main island of Tasmania; and
- (d) when the goods were moved from one vehicle or vessel to another, the move took place as soon as practicable; and
- (e) the goods did not undergo a \*manufacturing process on the main island of Tasmania prior to their shipment to the mainland.

## **2.6 Northbound assistance—sportspersons and professional entertainers**

2.6.1 A \*person is eligible for \*assistance in relation to goods shipped from Tasmania to the \*mainland if:

- (a) the person is a sportsperson competing for prize money or other financial reward, or is a professional entertainer; and
- (b) the goods are equipment used by the person in the practice of that sport or entertainment; and
- (c) the goods were transported in a round trip between the mainland and Tasmania that was completed within 6 months; and
- (d) the goods are being shipped on the return leg of the round trip; and
- (e) the person has \*incurred and paid the cost of the \*shipment; and
- (f) assistance has not been paid to any other person in respect of the shipment.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



## 2.7 Northbound assistance—brood mares

- 2.7.1 A \*person is eligible for \*assistance in relation to a Tasmanian-based brood mare shipped from Tasmania to the \*mainland for stud purposes if:
- (a) the person has \*incurred and paid the cost of the \*shipment; and
  - (b) assistance has not been paid to any other person in respect of the shipment; and
  - (c) the mare has been transported in a round trip between the \*mainland and Tasmania.

Note: Assistance in relation to horses shipped in other circumstances or for other purposes may be available under clause 2.3 or clause 2.6.

## 2.8 Southbound assistance—general eligibility

- 2.8.1 A \*person is eligible for \*assistance in relation to goods shipped from the \*mainland to Tasmania in the following circumstances:
- (a) the goods are \*eligible southbound goods; and
  - (b) the person is engaged in the \*manufacturing, mining, or agriculture, forestry and fishing industry in Tasmania; and
  - (c) the person has \*incurred and paid the cost of shipping the goods; and
  - (d) assistance has not been paid to any other person in respect of that \*shipment of those goods.

## 2.9 Meaning of *eligible southbound goods*

- 2.9.1 The following goods are *eligible southbound goods*:
- (a) if the claimant is engaged in the \*manufacturing industry in Tasmania—raw materials or equipment for use by the claimant in the claimant’s \*manufacturing processes; or
  - (b) if the claimant is engaged in the \*mining industry in Tasmania—raw materials or equipment for use by the claimant in the claimant’s production processes; or
  - (c) if the claimant is engaged in the \*agriculture, forestry or fishing industry in Tasmania—material inputs to, or machinery, implements and equipment for use in, that industry.
- 2.9.2 Goods are also *eligible southbound goods* if:
- (a) the goods are used by a person as an input into a process that is carried out in the course of activities carried out by the claimant in Tasmania that are listed in Divisions A, B or C of \*ANZSIC 2006; and
  - (b) the process meets either of the following requirements:
    - (1) an output of the process is used in the course of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned);
    - (2) the process uses as an input an item that is an output of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned).

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

2.9.3 However, the following are not *eligible southbound goods*:

- (a) \*imported goods which:
  - (i) the \*Secretary is satisfied have an \*Australian equivalent; or
  - (ii) are listed in Schedule 1A; or
  - (iii) were loaded onto a ship for the journey to Tasmania at a port that was not on the \*mainland; or
  - (iv) have a \*date of shipment that is before 1 July 2021 or more than 6 months after the goods were imported to Australia from overseas;
- (b) fuels and lubricants;
- (c) goods of Tasmanian origin which have not undergone a manufacturing process on the mainland before shipment back to Tasmania;
- (d) building and construction materials and equipment;
- (e) motor vehicles for the manufacturing and mining industries, if they are to be registered for use on public roads;
- (f) goods shipped as \*bulk cargo.

## **2.10 Southbound assistance—sportspersons and professional entertainers**

2.10.1 A \*person is eligible for \*assistance in relation to goods shipped from the \*mainland to Tasmania if:

- (a) the person is a sportsperson competing for prize money or other financial reward, or is a professional entertainer; and
- (b) the goods are equipment used by the person in the practice of that sport or entertainment; and
- (c) the goods were transported in a round trip between the mainland and Tasmania that was completed within 6 months; and
- (d) the goods are being shipped on the return leg of the round trip; and
- (e) the person has \*incurred and paid the cost of the \*shipment; and
- (f) assistance has not been paid to any other person in respect of the shipment.

## **2.11 Southbound assistance—brood mares and foals**

2.11.1 A \*person is eligible for \*assistance in relation to Tasmanian-based brood mares shipped from the \*mainland to Tasmania if:

- (a) the mare was on the mainland for stud purposes; and
- (b) the person has \*incurred and paid the cost of the \*shipment; and
- (c) assistance has not been paid to any other person in respect of the shipment.

2.11.2 A person is eligible for assistance in relation to a foal shipped from the mainland to Tasmania if:

- (a) the foal is the progeny of a mare referred to in subclause 2.11.1; and
- (b) the foal is less than 6 months old at the time of its shipment from the mainland; and
- (c) the person has incurred and paid the cost of the shipment; and

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (d) assistance has not been paid to any other person in respect of the shipment.

Note: Assistance in relation to horses shipped in other circumstances or for other purposes may be available under clause 2.8 or clause 2.10.

## **2.11A Southbound assistance – charitable organisations providing hardship relief**

- 2.11A.1 A \*charitable organisation is eligible for \*assistance in relation to goods shipped from the \*mainland to King Island if:
- (a) the charitable organisation is donating goods to a \*person engaged in the agriculture, forestry and fishing industry in King Island; and
  - (b) the goods being donated by the charitable organisation is fodder and stockfeed provided to a person in subclause 2.11A.1(a) enduring hardship caused by drought; and
  - (c) the charitable organisation has \*incurred and paid the cost of the \*shipment; and
  - (d) assistance has not been paid to any other person in respect of the shipment.
- 2.11A.2 A charitable organisation may only make a claim under subclause 2.11A.1 for claims relating to shipments where the \*date of shipment of the goods is between the period commencing on 1 May 2024 and ending on 30 June 2025.

## **2.12 Intrastate assistance—general eligibility**

- 2.12.1 A \*person is eligible for \*assistance in relation to goods shipped between King Island and the main island of Tasmania, or between the Furneaux Group and the main island of Tasmania, if:
- (a) the goods are \*eligible intrastate goods; and
  - (b) the person has \*incurred and paid the cost of shipping the goods; and
  - (c) assistance has not been paid to any other person in respect of that \*shipment of those goods.

## **2.13 Meaning of *eligible intrastate goods***

- 2.13.1 Goods are *eligible intrastate goods* if the goods are:
- (a) listed in Schedule 1 and produced or manufactured on the main island of Tasmania for permanent use or sale on King Island or the Furneaux Group; or
  - (b) listed in Schedule 1 and produced or manufactured on King Island or the Furneaux Group for permanent use or sale on the main island of Tasmania; or
  - (c) if the claimant is engaged in the \*manufacturing industry on King Island or the Furneaux Group—raw materials or equipment for use by the claimant in the claimant’s \*manufacturing processes; or

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (d) if the claimant is engaged in the \*mining industry on King Island or the Furneaux Group—raw materials or equipment for use by the claimant in the claimant’s production processes; or
- (e) if the claimant is engaged in the \*agriculture, forestry or fishing industry on King Island or the Furneaux Group—material inputs to, or machinery, implements and equipment for use in, that industry.

Note: Paragraph 2.13.1(b) above does not cover Schedule 1 goods produced or manufactured in King Island or the Furneaux Group for \*transshipment or permanent use or sale on the \*mainland. However:

- (a) in the case of goods shipped from the Furneaux Group to the mainland—the goods may be eligible for \*assistance at an additional rate (see subclauses 2.5.2 and 3.5.3, and clause 3.13);
- (b) in the case of goods shipped from King Island to the mainland for the purpose of transshipment—the goods may be eligible for assistance at an additional rate (see subclauses 2.5.1 and 3.5.2).

2.13.2 Goods are also *eligible intrastate goods* if:

- (a) the goods are used by a person as an input into a process that is carried out in the course of activities carried out by the claimant on King Island or the Furneaux Group that are listed in Divisions A, B or C of \*ANZSIC 2006; and
- (b) the process meets either of the following requirements:
  - (i) an output of the process is used in the course of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned);
  - (ii) the process uses as an input an item that is an output of the claimant’s main business activity (as listed in the class of ANZSIC 2006 to which the claimant has been assigned).

2.13.3 However, the following are not *eligible intrastate goods*:

- (a) goods brought into the main island of Tasmania from the mainland or from overseas which have not undergone a \*manufacturing process on the main island of Tasmania prior to their \*shipment to King Island or the Furneaux Group;
- (b) goods brought into King Island or the Furneaux Group from the mainland or from overseas which have not undergone a manufacturing process on that island prior to their shipment to the main island of Tasmania;
- (c) goods shipped from King Island to the Furneaux Group which have not undergone a manufacturing process on the main island of Tasmania prior to their shipment to the Furneaux Group, and vice versa;
- (d) fuels and lubricants;
- (e) building and construction materials and equipment;
- (f) motor vehicles for the manufacturing and mining industries, if they are to be registered for use on public roads;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (g) goods shipped as \*bulk cargo.

## **2.14 Intrastate assistance—sportspersons and professional entertainers**

2.14.1 A \*person is eligible for \*assistance in relation to goods shipped between King Island and the main island of Tasmania, or between the Furneaux Group and the main island of Tasmania, if:

- (a) the person is a sportsperson competing for prize money or other financial reward, or is a professional entertainer; and
- (b) the goods are equipment used by the person in the practice of that sport or entertainment; and
- (c) the goods were transported in a round trip between King Island and the main island of Tasmania, or between the Furneaux Group and the main island of Tasmania, that was completed within 6 months; and
- (d) the goods are being shipped on the return leg of the round trip; and
- (e) the person has \*incurred and paid the cost of the \*shipment; and
- (f) assistance has not been paid to any other person in respect of the shipment.

## **2.15 Intrastate assistance—brood mares and foals**

2.15.1 A \*person is eligible for \*assistance in relation to a King Island-based brood mare, or a Furneaux Group-based brood mare, shipped between that Island or Group and the main island of Tasmania for stud purposes if:

- (a) the person has \*incurred and paid the cost of the \*shipment; and
- (b) assistance has not been paid to any other person in respect of that shipment.

2.15.2 A person is eligible for assistance in relation to a foal shipped from the main island of Tasmania to either King Island or the Furneaux Group if:

- (a) the foal is the progeny of a mare referred to in subclause 2.15.1; and
- (b) the foal is less than 6 months old at the time of its shipment from the main island of Tasmania; and
- (c) the person has incurred and paid the cost of the shipment; and
- (d) assistance has not been paid to any other person in respect of that shipment of those goods.

Note: A person is not eligible for assistance under clause 2.15 in respect of a brood mare based on the main island of Tasmania shipped between the main island of Tasmania and either King Island or the Furneaux Group. Assistance in relation to horses shipped in such circumstances, or for other purposes, may be available under clause 2.12 or clause 2.14.

## **2.16 Transport by air in exceptional circumstances**

2.16.1 The \*Secretary may make an Exceptional Circumstances declaration under this clause in relation to goods transported by air if satisfied that:

- (a) in normal circumstances the goods would have been shipped by sea; and

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (b) the goods were, or will be, transported by air because of the temporary unavailability of a regular shipping service.

Note: Some examples of exceptional circumstances are where a regular shipping service is unavailable due to industrial dispute, mechanical failure, vessel maintenance, unfavourable weather.

- 2.16.2 An Exceptional Circumstances declaration may cover goods, or classes of goods, transported on a particular route, or routes, on a particular day or days.
- 2.16.3 The Secretary may make an Exceptional Circumstances declaration before, during or after the relevant period of temporary unavailability of the shipping service.
- 2.16.4 Where goods are covered by an Exceptional Circumstances declaration, this Part applies to the goods as if the references to “shipped” were references to “transported by air”.

Note: For the calculation of the amount of \*assistance for air transport covered by an Exceptional Circumstances declaration, see clause 3.4.

## **PART 3—AMOUNT OF ASSISTANCE**

### **SUBPART 3A - GENERAL**

#### **3.1 Assistance payable**

- 3.1.1 \*Assistance is payable to a claimant on a per \*TEU basis. Where goods are shipped in \*transport units other than TEUs, these are converted to a TEU basis under clause 3.2.
- 3.1.2 Where \*eligible northbound goods are shipped to the \*mainland for the purpose of \*transshipment or \*imported goods that are \*eligible southbound goods are shipped to Tasmania, the assistance payable to a claimant is to be determined in accordance with Subpart 3B.
- 3.1.3 In all other cases, the assistance payable to a claimant is to be determined in accordance with Subpart 3C.

#### **3.2 TEU adjustment**

- 3.2.1 Where a claimant’s freight invoice includes \*transport units of a different size to a \*TEU and/or represents less than a \*FCL, the invoice is adjusted by converting the transport unit to a TEU equivalent size and/or a FCL basis. The conversion factors for commonly claimed goods are set out in the \*Guidelines.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

### **3.3 General rules affecting calculation of assistance**

- 3.3.1 For the purpose of calculating \*assistance under this Part, the amount of any freight invoice or cost is taken to be that amount:
- (a) exclusive of any GST; and
  - (b) exclusive of any amount attributable to a fee for service charged by a \*claims agent acting on behalf of the claimant.

### **3.4 Assistance for air transported goods**

- 3.4.1 Where, because of a declaration under clause 2.16, a \*person is eligible for \*assistance for goods transported by air, this Part applies to the assistance payable for those goods as if:
- (a) each reference to ‘wharf’ (eg ‘wharf to wharf freight cost’, ‘door to wharf task’) were a reference to ‘airport’; and
  - (b) each reference to ‘shipped’ were a reference to ‘transported by air’.

## **SUBPART 3B - ASSISTANCE FOR TRANSHIPPED AND IMPORTED GOODS**

### **3.5 Assistance payable for goods shipped to the mainland for the purpose of transshipment**

- 3.5.1 In the case of \*eligible northbound goods shipped to the \*mainland for the purpose of \*transshipment, the assistance payable to a claimant in respect of those goods is \$700 per \*TEU.
- 3.5.2 Where eligible northbound goods are shipped from King Island to the mainland for the purpose of transshipment, the assistance payable to a claimant in respect of those goods is \$805 per TEU.
- 3.5.3 Where eligible northbound goods are shipped from the Furneaux Group to the mainland for the purpose of transshipment, the assistance payable to a claimant in respect of those goods is:
- (a) if the goods are not \*eligible Furneaux Group goods—\$805 per TEU; or
  - (b) if the goods are eligible Furneaux Group goods—\$1,610 per TEU.

### **3.5A Assistance payable for imported goods shipped to Tasmania**

- 3.5A.1 In the case of \*imported goods that are \*eligible southbound goods shipped to Tasmania from the \*mainland, the \*assistance payable to a claimant in respect of those goods is \$700 per \*TEU.
- 3.5A.2 Where imported goods shipped to King Island from the mainland are eligible southbound goods, the assistance payable to a claimant in respect of those goods is \$805 per TEU.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

3.5A.3 Where imported goods shipped to the Furneaux Group from the mainland are eligible southbound goods, the assistance payable to a claimant in respect of those goods is:

- (a) if subclause 3.5A.4 does not apply to the goods—\$805 per TEU;  
or
- (b) if subclause 3.5A.4 applies to the goods—\$1,610 per TEU.

3.5A.4 This subclause applies to goods if:

- (a) the goods are eligible southbound goods; and
- (b) the goods have been shipped to the Furneaux Group from the mainland via the main island of Tasmania; and
- (c) the \*shipment of the goods involved a land transport component on the main island of Tasmania; and
- (d) when the goods were moved from one vehicle or vessel to another, the move took place as soon as practicable; and
- (e) the goods did not undergo a \*manufacturing process on the main island of Tasmania prior to their shipment to the Furneaux Group.

Note 1: Claims for assistance under this clause can be made from 1 October 2021 (see subclause 4.12.4).

Note 2: No assistance is payable under the Scheme in respect of imported goods unless the goods are shipped from the mainland to Tasmania (see subclause 2.8.1).

### **3.6 Subsidies or rebates provided to claimants**

3.6.1 Where a claimant has received, claimed, or is entitled to, any other subsidy or rebate (however described) from any source in relation to the costs of the \*shipment, the \*assistance payable to the claimant under clause 3.5 or clause 3.5A is reduced in accordance with subclause 3.6.2.

3.6.2 The assistance payable is to be calculated by subtracting from it the amount of the subsidy or rebate.

Note: If the \*Secretary does not become aware of the subsidy or rebate until after assistance has been paid in respect of the shipment, then part of the assistance so paid is an overpayment. The assistance payable in respect of the shipment will be recalculated under this clause and the amount of the overpayment will be recoverable under clause 5.7.

## **SUBPART 3C - ASSISTANCE IN ALL OTHER CASES**

### **3.7 Assistance payable**

3.7.1 Subject to this Division, the assistance payable to a claimant (besides in respect of goods for which assistance is payable under Subpart 3B) is equivalent to the claimant's \*notional entitlement.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



- 3.7.2 A claimant's *notional entitlement* is the amount worked out under the following formula:

$$NE = (WW - RFE)$$

where:

**WW** means the claimant's \*notional wharf to wharf freight cost

**RFE** means the relevant \*road freight equivalent cost (see subclause 3.11.1).

- 3.7.3 The rules for working out the amounts of the elements of the formula are set out in the remainder of this Subpart and in Schedules 2 and 3.
- 3.7.4 However, if the claimant's claim has been lodged by a \*BGSF company, the claimant's *notional entitlement* is not worked out under subclause 3.7.2 but is the amount determined by the \*Secretary, in accordance with the \*Guidelines, to be the claimant's notional entitlement for a particular period.
- 3.7.5 In no case can the amount of assistance payable exceed the claimant's \*notional wharf to wharf freight cost.

### **3.8 Notional wharf to wharf freight cost**

- 3.8.1 A claimant's freight invoice is to be converted to a *notional wharf to wharf freight cost* by applying this clause.
- 3.8.2 Where a freight invoice represents one or more \*TEUs (\*full container load) and is presented on a wharf to wharf basis, clause 3.10 is applied.
- 3.8.3 Where a freight invoice represents\* less than a container load and is presented on terms other than:
- (a) a wharf to wharf basis; or
  - (b) for the \*shipment of a consignment of TEUs;
- clauses 3.2, 3.9, and 3.10 are applied (in that order).
- 3.8.4 Where a freight invoice represents a full container load and is presented on terms other than:
- (a) a wharf to wharf basis; or
  - (b) for the shipment of a consignment of TEUs;
- clauses 3.9 and 3.10 are applied (in that order).

### **3.9 Door to door adjustment**

- 3.9.1 Where a claimant's freight invoice is not in terms of wharf to wharf costs, the invoice is reduced by:
- (a) \$230 per \*transport unit in respect of a door to wharf task; and
  - (b) \$230 per transport unit in respect of a wharf to door task; and
  - (c) \$460 per transport unit in respect of a door to door task.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

### 3.10 Route scaling factor adjustment

3.10.1 The *\*route scaling factor adjustment* is applied to a claimant's freight invoice as follows:

- (a) if it is a wharf to wharf freight invoice – it is adjusted in accordance with subclause 3.10.2, by applying the relevant scaling factor specified in Schedule 2; and
- (b) if it is not a wharf to wharf freight invoice – it is adjusted first in accordance with clause 3.9, and then in accordance with subclause 3.10.2, by applying the relevant scaling factor specified in Schedule 2.

3.10.2 In applying the relevant scaling factor specified in Schedule 2, the following conditions apply:

- (a) where a wharf to wharf freight invoice is provided in support of the claim, the points of origin and destination are the State or Territory in which the ports of \*shipment and unloading are located; and
- (b) where a wharf to wharf freight invoice is not provided in support of the claim, the points of origin and destination are, as appropriate, either:
  - (i) for goods shipped north, the area of Tasmania (that is, either \*northern Tasmania or \*southern Tasmania) where the transport of the goods commences and the State or Territory in which the destination is located, irrespective of the actual port of shipment or unloading; or
  - (ii) for goods shipped south, the State or Territory in which the transport of the goods commences and the area of Tasmania where the destination is located, irrespective of the actual port of shipment or unloading.

Example: If the freight invoice covers a journey where goods are loaded in New Norfolk and trucked to Devonport, the point of origin is taken to be southern Tasmania (even though the port where the goods are loaded is in northern Tasmania). If the goods are then unloaded in Melbourne but trucked to Alice Springs, the point of destination is taken to be the Northern Territory, not Victoria.

### 3.11 Road freight equivalent cost and notional entitlement

3.11.1 Once the *\*notional wharf to wharf freight cost* of the relevant consignment, or part thereof, has been calculated under the preceding clauses, the *road freight equivalent cost (RFE)* is deducted from it. The RFE is:

- (a) in the case of goods moved between the \*mainland and Tasmania—\$281 per \*TEU for dry freight and \$309 per TEU for \*reefer freight; and
- (b) in the case of goods moved between King Island and the main island of Tasmania—\$675 per TEU for dry freight and \$742 per TEU for reefer freight; and

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (c) in the case of goods moved between the Furneaux Group and the main island of Tasmania—\$259 per TEU for dry freight and \$285 per TEU for reefer freight.

3.11.2 The result of deducting the RFE from the notional wharf to wharf freight cost is the claimant's \*notional entitlement.

### **3.12 Sliding scale applied to notional entitlement**

3.12.1 Once the \*notional entitlement has been calculated under subclause 3.11.1, the *standard weight assistance* per \*TEU for that consignment, or part thereof, is calculated under Schedule 3. The application of the Schedule produces a sliding scale of \*assistance depending on whether the claimant's notional entitlement makes them a Class 1, Class 2, Class 3 or Class 4 claimant under Schedule 3.

### **3.13 Furneaux Group Additional Assistance**

3.13.1 In the case of \*eligible Furneaux Group goods which have been produced or manufactured on the Furneaux Group for permanent use, or sale, on the mainland:

- (a) paragraph 3.11.1(c) is applied in respect of the freight costs of the \*shipment between the Furneaux Group and the main island of Tasmania to calculate the \*notional entitlement for that leg of the journey; and
- (b) paragraph 3.11.1(a) is applied in respect of the freight costs of the shipment between the main island of Tasmania and the mainland to calculate the notional entitlement for that leg of the journey; and
- (c) clause 3.12 is applied twice, that is, once in respect of the notional entitlement for the first leg of the journey, and once in respect of the notional entitlement for the second leg of the journey (allowing for \*standard weight assistance up to a maximum of \$1,710 per \*TEU for the entire journey from the Furneaux Group to the mainland).

### **3.14 Charitable organisations**

3.14.1 Clause 3.12 does not apply in respect of claims by \*charitable organisations. Charitable organisations are eligible for their full \*notional entitlement, plus the \*fixed intermodal cost, up to a \**standard weight assistance* maximum of:

- (a) in the case of goods shipped from the Furneaux Group to the \*mainland via the main island of Tasmania—\$1,710 per \*TEU; and
- (b) in every other case—\$855 per TEU.

Note: For other claimants, the fixed intermodal cost is added to the claimant's notional entitlement in accordance with clause 3.12 and Schedule 3.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

### **3.15 High density assistance**

- 3.15.1 Where a claimant's freight invoice includes \*high density freight, the \*assistance payable to the claimant under clause 3.7 is reduced under subclause 3.15.2.
- 3.15.2 The assistance payable to a claimant in respect of high density freight is calculated on the basis of 60 per cent of the \*standard weight assistance calculated for the consignment in accordance with clause 3.12 or 3.14, but in respect of only that part of the freight invoice applicable to the high density \*TEUs.
- 3.15.3 This clause only applies in respect of goods with a \*date of shipment before 1 October 2019.

### **3.16 Subsidies or rebates provided to claimants**

- 3.16.1 Where a claimant has received, claimed, or is entitled to, any other subsidy or rebate (however described) from any source in relation to the costs of the \*shipment, the \*assistance payable to the claimant under clause 3.7 is reduced in accordance with subclause 3.16.2.
- 3.16.2 The assistance payable is calculated by reducing the claimant's \*notional wharf to wharf freight cost by the amount of the subsidy or rebate.

Note: If the \*Secretary does not become aware of the subsidy or rebate until after assistance has been paid in respect of the shipment, then part of the assistance so paid is an overpayment. The assistance payable in respect of the shipment will be recalculated under this clause and the amount of the overpayment will be recoverable under clause 5.7.

## **PART 4—CLAIMS PROCESS**

### **SUBPART 4A - CLAIMS AGENTS**

#### **4.1 Who may be a claims agent?**

- 4.1.1 A claimant may authorise another \*person to act on their behalf in relation to a claim for \*assistance. If the claimant wishes that person to sign or lodge the claimant's claims, that person must be a \*claims agent.
- 4.1.2 A person may apply to the \*Secretary for approval as a claims agent. The application must be in the \*approved form.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 4.1.3 The Secretary must establish a system to verify the identity of applicants for approval as a claims agent before their applications are assessed. The system may require an applicant to provide proof of identity:
- (a) in the case of an applicant who is an individual—by a combination of business and personal identification (for example, ABN, business address and drivers licence or passport; and
  - (b) in the case of an applicant who is a company—by a combination of business identification (for example, ABN, ACN and business address).
- 4.1.4 The Secretary may, upon application in the approved form, approve a person as a claims agent if satisfied that the person:
- (a) has adequate \*record keeping processes; and
  - (b) has an information management system covering all claimants on whose behalf the person intends to lodge claims; and
  - (c) has a billing system which includes itemising both the estimated, and subsequently the actual, dollar value of the assistance in every invoice issued to a claimant; and
  - (d) can demonstrate, with documentary evidence, that they are neither a person whose business allows them to set the price of shipping goods, nor involved in a non-arms-length commercial arrangement with such a person; and
  - (e) will comply with the requirements of \*these Directions; and
  - (f) has provided proof of identity as required by the system established by the Secretary in accordance with clause 4.1.3.

Note: The Secretary's approval must be in writing (see definition of 'approved').

- 4.1.5 An approval of a person as a claims agent under clause 4.1.4 is subject to a probationary period of six months, or such longer period as the Secretary determines in writing and notifies to the applicant. If, at the end of the probationary period in respect of an approval of a claims agent, the Secretary is not satisfied that the claims agent:
- (a) has demonstrated a satisfactory record of compliance with these Directions; or
  - (b) has demonstrated a commitment to ensuring that claims the agent submits are accurate, complete and correct; or
  - (c) has satisfied relevant audit requirements;
- the Secretary may revoke the approval of the claims agent under clause 4.2.1.

Note: A person whose approval as a claims agent has been revoked by the Secretary is not prevented from applying for approval again under clause 4.1.2.

## **4.2 Variation or revocation of approval as claims agent**

- 4.2.1 The \*Secretary may vary or revoke a \*claims agent's approval at any time.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 4.2.2 Without limiting subclause 4.2.1, the Secretary may vary or revoke the approval if the Secretary:
- (a) is no longer satisfied that the claims agent meets all the criteria set out in subclause 4.1.4; or
  - (b) is satisfied that the claims agent has failed to comply with any requirement that applies to the claims agent under \*these Directions.

Note: See also clause 4.1.5

- 4.2.3 The variation or revocation must be in writing.

### **4.3 Acting as claims agent for claimants**

- 4.3.1 A \*claims agent may act as a claims agent for a claimant only if, prior to (or at the same time as) submitting a claim for the claimant for the first time, the claims agent has given the \*Secretary the following information in the \*approved form signed by the claimant:
- (a) the name of the claimant;
  - (b) the details of the bank or other financial institution account nominated by the claimant for payment of assistance.

- 4.3.2 The Secretary must establish and maintain a register of approved claims agents and, in respect of each claims agent, the claimants who have authorised the claims agent to act on their behalf. The Secretary must ensure that the register is kept up to date.

### **4.4 Obligations of claims agent**

- 4.4.1 If a \*claims agent knows, or ought reasonably to know, that they no longer meet a criterion set out in subclause 4.1.4, the claims agent must notify the \*Secretary of this fact at, or before, the time of lodging any subsequent claim.
- 4.4.2 A claims agent must ensure that any matters relevant to the operation of \*these Directions or the Scheme of which the agent is made aware, and any matters relevant to the claims agent's status as such, are notified to each claimant for whom the claims agent acts and to whom the matter is relevant.
- 4.4.3 If a claims agent is no longer authorised by a claimant to act on behalf of the claimant, the claims agent must immediately notify the Secretary of that fact. The Secretary must update the register of claims agents maintained under clause 4.3.2 accordingly.

## **SUBPART 4B - SELF-ASSESSED CLAIMANTS**

### **4.5 Who may be a self-assessed claimant?**

- 4.5.1 The \*Secretary may invite a person to apply for approval as a \*self-assessed claimant. The application must be in the \*approved form.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 4.5.2 The Secretary may approve the person as a self-assessed claimant if satisfied that the person:
- (a) makes a high volume of claims; and
  - (b) has a demonstrated history of accuracy and compliance with \*these Directions in relation to claims previously made; and
  - (c) agrees to comply with the obligations set out in a self-assessment service agreement between the claimant and the Secretary; and
  - (d) has provided proof of identity to the satisfaction of the Secretary.
- The Secretary's approval must be in writing.
- 4.5.3 A relevant agreement is taken to be, on and from the commencement of \*these Directions, a self-assessment service agreement between a claimant and the Secretary for the purposes of paragraph 4.5.2(c). A relevant agreement is an agreement that meets all of the following criteria:
- (a) it relates to self-assessment under the \*Scheme;
  - (b) it is an agreement between the claimant and Centrelink or the Commonwealth;
  - (c) it was entered into prior to the commencement of these Directions and was in force on the commencement of these Directions;
  - (d) it was in force on 14 February 2017.

#### **4.6 Variation, suspension or revocation of approval as self-assessed claimant**

- 4.6.1 The \*Secretary may vary, suspend or revoke a \*self-assessed claimant's approval at any time.
- 4.6.2 Without limiting subclause 4.6.1, the Secretary may vary, suspend or revoke the approval if the Secretary:
- (a) is no longer satisfied that the self-assessed claimant meets all the criteria set out in subclause 4.5.2; or
  - (b) is satisfied that the self-assessed claimant has failed to comply with any requirement that applies to the self-assessed claimant under \*these Directions.
- 4.6.3 The variation, suspension or revocation must be in writing.

#### **4.7 Obligations of self-assessed claimant**

- 4.7.1 If a \*self-assessed claimant knows, or ought reasonably to know, of any information that may affect the self-assessed claimant's ability to meet the criteria set out in subclause 4.5.2, the self-assessed claimant must notify the \*Secretary of this information at, or before, the time of lodging any subsequent claim.
- 4.7.2 A self-assessed claimant must comply with the obligations set out in a self-assessment service agreement between the self-assessed claimant and the Secretary.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## **SUBPART 4C - MAKING A CLAIM**

### **4.8 Claim for assistance**

- 4.8.1 A claim for \*assistance must be in writing in the \*approved form. The claim must be signed by either the claimant, or a \*claims agent of the claimant.
- 4.8.2 If the \*person lodging the claim is a company, the claim must be signed by an individual duly authorised by the company for this purpose.
- 4.8.3 If the person lodging the claim is a claims agent or if the claim includes \*imported goods, the claim must be lodged through the \*online portal.
- 4.8.4 The form approved for use under subclause 4.8.1 may require the provision of information about \*high density freight.

### **4.9 Documentary evidence required with claim**

- 4.9.1 The claim must be accompanied by evidence in the \*approved form of the following:
- (a) \*shipment of the goods;
  - (b) that the claimant has \*incurred and paid the cost of shipping in relation to shipment of the goods;
  - (c) if the claimant is claiming under clause 2.6 (entertainer/sportsperson) evidence that the claimant has the status required by that clause;
  - (d) if the goods in respect of which assistance is being claimed are livestock, the number of heads of livestock;
  - (e) if the goods in respect of which assistance is being claimed are not livestock, the weight of the goods, or if such evidence is not available, the volume of the goods;
  - (f) if the goods in respect of which assistance is being claimed have been shipped to the \*mainland for the purpose of transshipment, evidence that arrangements have been made for the goods to be transported to a point beyond Australia;
  - (g) if the claimant has received, claimed, or is entitled to, any other subsidy or rebate (however described) in relation to the costs of the shipment—details of the amount received, claimed or to which the claimant is entitled;
  - (h) if the goods in respect of which assistance is being claimed are \*imported goods:
    - (i) evidence of the importation of the goods into Australia; and
    - (ii) a TCO (tariff concession order) within the meaning of Part XVA of the *Customs Act 1901* that applies to the goods, or an approved statutory declaration made by the claimant (or, if the claimant is a company, an individual duly authorised by the company for this purpose) in respect of the goods (including documents required by the approved statutory declaration).

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



- (i) if the claimant is claiming under subclause 2.11A.1, evidence that the claimant is a \*charitable organisation.

4.9.2 However, clause 4.9.1 does not apply to a claim if:

- (a) the claimant is a \*self-assessed claimant; and
- (b) when the claim is decided, the claimant's approval is not suspended under clause 4.6.

Note: Clause 6.1 requires claimants (including self-assessed claimants) to keep all documents relating to a claim (including those set out in clause 4.9.1) for a period of 5 years after the date the claim was decided.

#### **4.10 Documentary evidence required with claim lodged by BGSF**

4.10.1 In the case of a claim lodged on behalf of claimants (the *relevant claimants*) by a \*claims agent who is a \*BGSF company, this clause applies instead of clause 4.9. The claim must be accompanied by evidence in the \*approved form of the following:

- (a) evidence of:
  - (i) each \*shipment of grain shipped to Tasmania by the BGSF company in the period specified by the \*Secretary as the relevant period for that claim, and the type and quantity of grain in each such shipment;
  - (ii) the State or Territory in which the transport of the grain commenced;
  - (iii) the freight costs \*incurred and paid by the company in relation to each such shipment;
- (b) evidence that the grain in respect of which the claim is made has been despatched to the relevant claimants;
- (c) any other information requested by the Secretary for the purpose of determining the \*notional entitlement of the relevant claimants.

#### **4.11 Secretary may request supplementary information**

4.11.1 Before deciding a claim, the \*Secretary may request further information from the claimant or \*claims agent (if applicable) to clarify, or address an omission in, information given in support of the claim.

4.11.2 A claimant or claims agent must provide the requested information through the \*online portal.

4.11.3 The Secretary may defer deciding the claim until the information is provided as required by this clause.

4.11.4 If the information is not provided as required by this clause within 21 days of the request, the Secretary may reject the claim.

Note: If a claim is made which is incomplete, incorrect or not accompanied by all the required information, the Secretary may not pay assistance in respect of that claim - see clause 5.1.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

#### **4.12 Timeframes for lodging claims**

- 4.12.1 Claims must be lodged within 6 months after the \*date of shipment.
- 4.12.2 However, if the claimant is claiming \*assistance under clauses 2.7 and 2.11 in respect of a brood mare, both claims must be lodged within 6 months after the date of shipment for the mare from the \*mainland to Tasmania.
- 4.12.3 If the date of shipment for goods is before 1 January 2016, a claim in respect of those goods may be lodged any time before 30 June 2016.
- 4.12.4 A claim for assistance in respect of \*imported goods may only be lodged from 1 October 2021.

Note: See clause 1.9 for rule about time when lodgement is taken to happen.

#### **4.13 Proof of identity a pre-condition of assistance**

- 4.13.1 The \*Secretary must establish a system to verify the identity of claimants before their claims for \*assistance are assessed. The system may require a claimant to provide proof of identity:
  - (a) in the case of a claimant who is an individual—by a combination of business and personal identification (for example, ABN, business address and drivers licence or passport); and
  - (b) in the case of a claimant who is a company—by a combination of business identification (for example, ABN, ACN and business address).

#### **4.14 Registration a pre-condition for southbound assistance**

- 4.14.1 Where \*assistance is claimed under clause 2.8 (southbound component) in respect of goods for use in the \*manufacturing, mining, or agriculture, forestry and fishing industry in Tasmania, the claimant must be a registered claimant before their claim for \*assistance can be granted.
- 4.14.2 The \*Secretary may, upon application in the \*approved form, register a \*person as a **registered claimant** if satisfied that the person is engaged in the manufacturing, mining, or agriculture, forestry and fishing industry in Tasmania.
- 4.14.3 The registration must be in writing. The Secretary may, in writing, vary or revoke the registration at any time.
- 4.14.4 If a registered claimant ceases to be engaged in the industry on which their registration was based, the claimant must notify the Secretary of this fact at, or before, the time of any subsequent claim.
- 4.14.5 If a claimant has authorised a \*claims agent to lodge claims on their behalf, the claims agent may also act on behalf of the claimant for the purposes of this clause.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## **PART 5—PAYMENT OF CLAIM**

### **5.1 Secretary may make payment of assistance**

5.1.1 The \*Secretary may make a payment of \*assistance under \*these Directions if, and only if:

- (a) a claim is made in accordance with Part 4; and
- (b) the Secretary is satisfied that the claimant is eligible for assistance under these Directions.

However, these Directions do not give rise to any entitlement to assistance.

5.1.2 For the avoidance of doubt, if a claim is incomplete, inaccurate, not accompanied by all the required information, or if the \*approved form has not been properly completed, the claim is not made in accordance with Part 4 and the Secretary may not make a payment in respect of that claim.

### **5.2 Payment into account nominated by claimant**

5.2.1 Any payment of \*assistance is to be made into the account nominated by the claimant. The claimant may vary the nomination at any time by giving new account details, in writing, to the \*Secretary.

### **5.3 Notification of claimant**

5.3.1 Where a payment of \*assistance is made on a claim, the \*Secretary must notify the relevant claimant (or, if the claim has been lodged by a claims agent, the relevant claims agent) of the amount of assistance paid by the Commonwealth in respect of the claim. The notice must be in writing and given to the claimant within 30 days.

5.3.2 Where payment of assistance is made on a claim lodged by a \*claims agent, the claims agent must notify the relevant claimant of the amount of assistance paid by the Commonwealth in respect of the claim. The notice must be in writing and given to the claimant within 30 days after the claims agent receives notice of the amount of assistance.

Note 1: See clause 1.9 for rule about time when notification of information is taken to happen.

Note 2: Failure to comply may result in the revocation of a claims agent's approval (subclause 4.2).

### **5.4 Assistance is subject to conditions**

5.4.1 Payment of \*assistance on a claim is subject to the following conditions:

- (a) the \*person signing the claim has not, either knowingly or recklessly, made any false or misleading statements in the claim, or lodged any false or misleading information in support of the claim;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (b) neither the claimant, nor the claimant's \*claims agent (if applicable), has otherwise acted unreasonably or unconscionably in relation to the claim;
- (c) the claimant, or the claimant's claims agent (if applicable), will notify the \*Secretary of any circumstance affecting the claim which comes to their knowledge after the claim is lodged (e.g. entitlement to another subsidy in relation to the \*shipment or the goods no longer being for permanent use, or sale, on the \*mainland);
- (d) if the goods in respect of which assistance is being paid are taken to be shipped to the mainland for the purpose of \*transshipment because of clause 1.7.2, the claimant, or the claimant's claims agent (if applicable), will notify the \*Secretary of the final destination of the goods and the date on which the goods were transported to a point beyond Australia (whichever is applicable);
- (e) the claimant consents to the publication of information relating to assistance paid to the claimant that may be published under clause 9.2, unless the Secretary has exempted the claimant under clause 9.3;
- (f) the claimant's claims agent (if applicable) consents to the publication of information relating to claims lodged by the claims agent that may be published under clause 9.2.

5.4.2 Payment of \*assistance on a claim is also subject to the conditions set out in Part 6 (Audit).

## **5.5 Assistance may be denied, reduced or withheld if condition etc breached**

5.5.1 If, before payment is made in relation to a claim, the claimant is found to have breached a condition set out in clause 5.4 or in Part 6 in relation to that claim, the \*Secretary may reject the claim, reduce the amount of \*assistance to be paid, or withhold payment of any further assistance until there is compliance.

5.5.2 If, before payment is made in relation to a claim, the claimant's \*claims agent (if applicable) is found to have:

- (a) breached a condition set out in clause 5.4 or in Part 6 in relation to that claim or any other claim; or
- (b) failed to comply with any other requirement that applies to the claims agent under \*these Directions;

the Secretary may reject the claim, reduce the amount of assistance to be paid, or withhold payment of any further assistance until there is compliance.

5.5.3 If, before payment is made in relation to a claim, the claimant or the claimant's claims agent has not complied with a request for information made under subclause 8.4A.4, the Secretary may reject the claim, reduce the amount of assistance to be paid, or withhold payment of any further assistance until there is compliance.

Note: Such action by a claims agent may also be grounds for the Secretary revoking the claims agent's approval under clause 4.2.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## **5.6 Assistance may be recovered if condition breached**

5.6.1 If, after payment is made in relation to a claim, the claimant, or the claimant's \*claims agent, is found to have breached any of the conditions set out in clause 5.4 or in Part 6 in relation to the claim, the \*Secretary may determine that the amount of any such payment, or part of that amount, is to be treated as an overpayment (see clause 5.8).

## **5.7 Assistance may be reduced or increased if purpose of goods changes**

5.7.1 If:

- (a) \*assistance has been paid in respect of goods; and
- (b) at the time of making the claim, the goods were taken to be shipped to the \*mainland for the purpose of \*transshipment under clause 1.7.2; and
- (c) assistance was paid in respect of the goods at the rate set out in clause 3.5; and
- (d) the goods were subsequently repurposed for permanent use, or sale, on the mainland;

the claimant, or the claimant's claims agent (if applicable), may notify the \*Secretary of this change in purpose, and the Secretary may determine that the amount of assistance to be paid in respect of the goods should be adjusted under clause 5.8.

5.7.2 A notification under clause 5.7.1 must be accompanied by evidence that the goods are being permanently used, or have been sold, on the mainland.

5.7.3 However, no adjustment to the amount of assistance to be paid shall be made if the Secretary receives the notification more than 6 months after the \*date of shipment of the goods.

## **5.8 Overpayments and underpayments**

5.8.1 If:

- (a) the \*Secretary has determined under clause 5.6 that an amount is to be treated as an overpayment; or
- (b) an overpayment has been made for any other reason (for example, because of an error in calculating the amount of \*assistance);

the overpayment may, in whole or in part, be:

- (c) deducted from any amount that is payable or to be paid to the claimant under Part 5; or
- (d) recoverable as a debt due to the Commonwealth.

5.8.2 If the Secretary is satisfied that an underpayment has been made to a claimant, the Secretary may make a further payment to the claimant to correct the underpayment.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## **PART 5A—PAYMENT OF INTEREST IF PAYMENT OF CLAIM DELAYED**

### **5A.1 Secretary may pay interest if there is a delayed payment of assistance**

5A.1.1 If, in relation to a claim:

- (a) the payment day is later than the interest day; and
- (b) the amount calculated under clause 5A.2 is \$100 or greater; and
- (c) the claim has been received through the \*online portal;

the \*Secretary may pay interest in respect of the claim as calculated under clause 5A.2. However, \*these Directions do not give rise to any entitlement to interest.

5A.1.2 In this clause, in relation to a claim for \*assistance in respect of goods:

*claim complete day* means the later of the following:

- (a) the day the claim is received by the Secretary;
- (b) the latest day the Secretary receives material that results in the claim becoming in accordance with Part 4 (within the meaning of clause 5.1);
- (c) the day the claimant is registered under the Scheme;
- (d) the day the claimant receives a notification that the goods are \*eligible southbound goods;
- (e) if the claimant is a \*self-assessed claimant—the day the claimant is \*approved under clause 4.5;
- (f) the latest day all information requested under clause 4.11 in respect of the claim is provided to the Secretary in accordance with that clause;
- (g) if the claimant is granted an extension of time for the purposes of clause 4.12 allowing the claimant to submit the claim more than 6 months after the \*date of shipment—the day the Secretary notifies the claimant that the claim is ready for processing;
- (h) the day the claimant's identity becomes verified under clause 4.13;
- (i) if assistance is claimed under clause 2.8 (southbound component)—the day the claimant is registered under clause 4.14;
- (j) the day on which there is compliance within the meaning of clause 5.5;
- (k) if incorrect bank account details have been provided—the day on which the Secretary receives the correct details.

*interest day* means the first \*business day arising after the period of 30 processing days after the claim complete day.

*processing day* means a day other than the following:

- (a) any public holiday in Hobart;
- (b) any day during the \*administrator's reduced activity period;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

Note: The administrator's reduced activity period occurs around Christmas and New Year. The exact dates will vary each year and can be found in the Services Australia Enterprise Agreement.

- (c) if a decision relating to the claim is the subject of a review under clause 7.2 or 7.3—the day the applicant for the review receives a copy of the decision under clause 7.2 or 7.3;
- (d) any day before the day mentioned in paragraph (c);
- (e) if a request for an extension of time is made in relation to the claim under clause 8.6—a day during the period beginning on the day the request is made and ending on:
  - (i) if the time limit is extended—the last day of the extension; or
  - (ii) in all other cases—the day the claimant receives notification of the outcome of the request.

**payment day** means the day on which the Secretary makes a payment in relation to the claim under clause 5.1.

Note: See clause 1.9 for the rule about time when \*documents are taken to be received.

## 5A.2 Amount of interest payable

5A.2.1 The amount of interest payable is calculated according to the following formula and rounded to the nearest whole number of cents:

$$A \times D \times GIC$$

where:

**A** refers to the assistance otherwise payable under this Part; and

**D** refers to the number of processing days between the interest day and the payment day and is inclusive of both days; and

**GIC** means the general interest charge rate determined under section 8AAD of the *Taxation Administration Act 1953* on the interest day, expressed as a daily rate; and

**interest day, payment day and processing day** have the same meaning as in clause 5A.1.

Note: The general interest charge rate is published on the website of the Australian Taxation Office as an annual and daily rate.

Example: Assume the assistance otherwise payable under the Part is \$50,000, all information required for the claim is received at 4pm on 19 October 2019, the payment of financial assistance is made at 1am on 5 January 2020 and the general interest charge daily rate applicable through the month of November 2019 is 0.02339726%.

Step 1: Determine the claim complete day. In this case, if none of the things listed under the definition of 'claim complete day' occurred after the information was received, the claim complete day is 19 October 2019.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

Step 2: Determine the interest day. Count 30 processing days from (and including) the day after the 'claim complete day' (20 October 2019). Do not include 24 October 2019, which is a public holiday in Hobart (Royal Hobart Show day). The 30<sup>th</sup> processing day is 19 November 2019. The first business day after that day is 20 November 2019, which is the interest day.

Step 3: Determine the payment day. Here, the payment was made on 5 January 2020, which is the payment day.

Step 4: Determine the number of processing days between the interest day and the payment day (including both days). Looking at the period between the interest day (20 November 2019) and the payment day (5 January 2020), the days during the administrator's reduced activity period (between 24 December 2019 and 1 January 2020) are not 'processing days'. Therefore, the days that are processing days are the days 20 November 2019 to 23 December 2019 inclusive (34 days) and 2-5 January 2020 inclusive (4 days), and D is thus 38.

Step 5: Determine the interest rate applicable on the interest day. Here, the general interest charge rate on 20 November 2019 is 0.02339726%.

Step 6: Calculate the amount of interest payable as follows:

A = \$50,000

D = 38 days

GIC = 0.02339726%

$50000 \times 38 \times (0.02339726 / 100) = 444.5479 = \$ 444.55$

### **5A.3 Same requirements apply to payment of interest**

5A.3.1 If interest is payable or has been paid in relation to a payment of \*assistance, clauses 5.2 to 5.8, and Part 6, apply as if the interest were part of the assistance.

## **PART 6—AUDIT**

### **6.1 Documents relating to claim to be kept for 5 years**

6.1.1 Where \*assistance has been paid in relation to a claim, the claimant must keep all \*documents in their possession that relate to the claim for a period of 5 years after the date the claim was decided.

6.1.2 Where the claim was signed by the claimant's \*claims agent, that claims agent must keep all documents in their possession that relate to the claim for a period of 5 years after the date the claim was decided.

### **6.2 Entry of Secretary to inspect etc documents relating to claim**

6.2.1 If the Secretary, at any reasonable time, requests permission to enter a claimant's or \*claims agent's premises for the purpose of inspecting, making and retaining copies of, and extracts from, any \*document or other \*record relating to the \*shipment of the goods for which \*assistance has been claimed, the claimant or claims agent must give the permission.

6.2.2 The claimant or claims agent must give reasonable assistance to the Secretary in locating and interpreting relevant documents and records.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



- 6.2.3 The claimant or claims agent must, if requested, give the Secretary permission to remove documents and records temporarily from the claimant's or claims agent's premises for the purpose of making copies.

### **6.3 Supplementary information**

- 6.3.1 If at any time the \*Secretary requests information from a claimant or a \*claims agent to:
- (a) clarify or verify information given in support of a claim; or
  - (b) to monitor a claims agent's continuing compliance with the criteria set out in clause 4.1; or
  - (c) to monitor a registered claimant's continuing engagement in the \*manufacturing, mining, or agriculture, forestry and fishing industry, as required by clause 4.14;
- the claimant or claims agent must comply with the request.

### **6.4 Independent audit of claim**

- 6.4.1 If the \*Secretary requests a claimant or a \*claims agent to provide to the Secretary a written statement by an \*independent auditor as to whether criteria specified by the Secretary in relation to a specified claim, or claims lodged during a specified period, are satisfied, the claimant or claims agent must comply with the request.

### **6.5 Compliance with audit obligations a condition of assistance**

- 6.5.1 Compliance with this Part is a condition of the payment of \*assistance.

Note: For consequences of failure to comply with a condition, see Part 5.

## **PART 7—REVIEW OF DECISIONS**

### **7.1 Application for review of decision**

- 7.1.1 A \*person who is adversely affected by a decision under \*these Directions, other than a decision under clause 8.4A, may request a review of the decision in the \*approved form.
- 7.1.2 The person must send the request to the \*Secretary within 30 days after the date on which the person was notified of the decision by the Secretary.

### **7.2 Reassessment of decision**

- 7.2.1 Within 30 days after receipt of the request by the \*Secretary, a \*reassessment officer must review the decision. The reassessment officer must not be the \*person who made the original decision.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 7.2.2 The reassessment officer must:
- (a) make a decision in writing (*reassessment decision*) affirming or varying the original decision; and
  - (b) give reasons in writing for the reassessment decision; and
  - (c) give the applicant a copy of the reassessment decision and of the reasons for the reassessment decision.

### **7.3 Review of reassessment by departmental review officer**

- 7.3.1 If the applicant is dissatisfied with the reassessment decision, the applicant may, within 30 days of the day on which they were notified of the reassessment decision, request a review of it.
- 7.3.2 A \*departmental review officer must, within 30 days of receipt of the request by the \*Secretary, review the reassessment decision.
- 7.3.3 The departmental review officer must:
- (a) make a decision in writing (*DRO decision*) affirming or varying the reassessment decision; and
  - (b) give reasons in writing for the DRO decision; and
  - (c) give the applicant a copy of the DRO decision and of the reasons for that decision.

### **7.4 Formal requirements of request for reassessment or review**

- 7.4.1 A request under clause 7.1 or 7.3:
- (a) must be made to the \*Secretary in writing; and
  - (b) must state why the person is making the request; and
  - (c) must be supported by appropriate documentary evidence.

Note: See clause 1.9 for rule about time when \*documents are taken to be received.

### **7.5 Extension of time to complete reassessment or review**

- 7.5.1 If a \*reassessment officer or \*departmental review officer believes that the reassessment or review cannot be properly conducted within 30 days (for example, because legal advice must be sought), the officer may extend the time limit. The officer must give the applicant written notice of the extension, including the reasons for the extension and the estimated time of completion of the reassessment or review.

## **PART 8—ADMINISTRATION**

### **8.1 Secretary to administer Scheme**

- 8.1.1 The \*Secretary is to administer the \*Scheme in accordance with \*these Directions.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- 8.1.2 The Secretary may, in writing, enter an arrangement with a \*person or body (the \**administrator*) to assist with the administration of the Scheme.
- 8.1.3 The Secretary may, in writing, authorise the following to exercise the Secretary's powers and functions under these Directions:
- (a) an employee of the \*Department;
  - (b) the administrator, or an employee of the administrator;
  - (c) in relation to powers and functions set out in Part 6:
    - (i) an \*independent auditor; or
    - (ii) a \*public sector auditor who is able to exercise such powers and perform such functions.
- 8.1.4 In exercising powers or performing functions under an authorisation, a person must comply with any directions of the Secretary.
- 8.1.5 If the Secretary authorises a person who is an \*SES employee of the administrator to exercise a power or perform a function under clause 8.1.3 of these Directions, the person may, by writing, authorise an employee of the administrator to exercise the power or perform the function under these Directions. In exercising powers or performing functions under such an authorisation, the employee must comply with any directions of the SES employee. The administrator must advise the Secretary of any authorisations so made.
- 8.1.6 The Secretary may, in writing, vary or revoke an authorisation at any time.
- 8.1.7 An authorisation given under this clause does not cease to be effective only because the person who gave it ceases to hold office.

## **8.2 Minister or Secretary may vary Directions**

- 8.2.1 The \*Minister may vary or revoke \*these Directions at any time.
- 8.2.2 The \*Secretary may make minor variations to these Directions at any time for the purpose of improving the administration of the \*Scheme. However, these changes must not be such as to materially change the scope or intent of the Scheme.
- 8.2.3 Without limiting subclause 8.2.2, the Secretary may vary Schedule 1 and Schedule 1A at any time, either upon application or otherwise.
- 8.2.4 A variation or revocation of these Directions must be in writing.

## **8.3 Secretary may issue Guidelines**

- 8.3.1 The \*Secretary may issue \*Guidelines in relation to the administration, meaning, or operation of, or manner of compliance with, \*these Directions.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

#### **8.4 Application to vary Schedule 1—eligible northbound and intrastate goods**

8.4.1 A \*person may apply to the \*Secretary for the inclusion of goods in Schedule 1. The application must be in writing and must include the following:

- (a) a description of the goods;
- (b) details of the origin and destination of the goods;
- (c) details of the volume and weight of goods moved and the average quantity and size of each \*shipment;
- (d) the types of \*transport units normally used;
- (e) the wharf to wharf freight costs for the goods;
- (f) the total freight cost, excluding GST.

8.4.2 The Secretary is to decide the application, and give written notice of the decision to the applicant, within 90 days after receiving the application. If the decision is to approve the goods, the notice must specify the date of effect of the decision. \*Assistance is payable only for shipments on, or after, the date of effect.

#### **8.4A Application to vary Schedule 1A—ineligible imported goods**

8.4A.1 A \*person may apply to the \*Secretary for the inclusion or removal of \*imported goods in Schedule 1A. The application must be in writing and must include the following:

- (a) a description of the goods;
- (b) reasons for including or removing the goods in Schedule 1A.

8.4A.2 Unless the Secretary has referred the application to the \*Minister for consideration, the Secretary is to decide the application within 90 days after receiving the application, and may have regard to the following:

- (a) the reasons stated in the application for including or removing the goods in Schedule 1A;
- (b) the extent to which suitable and available domestic equivalents to the goods exist;
- (c) the extent to which it may be desirable for such equivalents to be developed or the supply of such equivalents to be increased;
- (d) the extent to which provision of \*assistance in respect of the goods:
  - i. is having, or is likely to have, a measurable impact on the use of goods by businesses; and
  - ii. that impact (or likely impact) is in turn impacting, or is likely to impact, the capacity of Australian businesses producing such equivalents to fairly compete;
- (e) any other matter the Secretary considers relevant.

8.4A.3 The Secretary must give written notice of and reasons for the Secretary's decision to the applicant.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

8.4A.4 The Secretary may request information from a claimant or a \*claims agent for the purposes of deciding an application, and the claimant or claims agent must comply with the request.

## **8.5 Extension of time to decide application**

8.5.1 If the \*Secretary believes that an application to vary Schedule 1 or Schedule 1A cannot be properly decided within 90 days, the Secretary may extend the time limit. The Secretary must give the applicant written notice of the extension, including the reasons for the extension and the estimated time of completion of the decision.

## **8.6 Secretary may extend time limits for claimant or claims agent**

8.6.1 Where \*these Directions place a time limit on a claimant or \*claims agent, and that \*person applies in writing to the \*Secretary for an extension of time, the Secretary may, in writing, extend the time limit.

# **PART 9—PUBLICATION OF INFORMATION ON OPERATION OF SCHEME**

## **9.1 Secretary must publish Directions and Guidelines (if any)**

9.1.1 The \*Secretary must ensure that \*these Directions are published on the \*Department's website. If these Directions or the \*Guidelines (if any) are amended, the Secretary must ensure that the amended version is published on the website as soon as practicable.

## **9.2 Secretary may publish information about operation of Scheme**

9.2.1 The \*Secretary may publish information in respect of the operation of the \*Scheme during a financial year, including, but not limited to, the following:

- (a) the name of each claimant who has received more than \$5,000 in \*assistance in that year, and the amount received by that claimant (whether expressed as a precise amount, or an amount within a range);
- (b) the name of each \*claims agent who has lodged claims that have resulted, in total, in the payment of more than \$5,000 in assistance in that year, and that total amount (whether expressed as a precise figure, or as within a range).
- (c) the amount of assistance received in that year by any of the following industries, and by sub-categories of those industries:
  - (i) \*manufacturing;
  - (ii) mining;
  - (iii) agriculture, forestry and fishing;

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

- (d) the classes of goods in respect of which assistance has been paid, and the amount paid in respect of each such class of goods, in that year.

Note: For meaning of manufacturing, mining, agriculture, forestry and fishing industry, see clause 1.6.

### **9.3 Secretary may exempt claimant's information from publication**

- 9.3.1 A \*person may apply in the \*approved form to the \*Secretary for information in respect of the person not to be published under clause 9.2.
- 9.3.2 If, in the Secretary's view, publication of the information would unreasonably affect the person's commercial interests, the Secretary may, in writing, determine that information in respect of the person is not to be published under clause 9.2.

## **PART 10— MISCELLANEOUS AND TRANSITIONAL PROVISIONS**

### **10.1 Application of new Ministerial Directions**

- 10.1.1 \*These Directions apply in relation to all \*shipments of goods occurring on or after the commencement of these Directions.

### **10.2 Application of previous Ministerial Directions**

- 10.2.1 The Ministerial Directions for the operation of the Tasmanian Freight Equalisation Scheme, as in force immediately before the commencement of \*these Directions (the *previous Ministerial Directions*), continue to apply in relation to \*shipments of goods occurring before the commencement of these Directions.
- 10.2.2 Despite subclause 10.2.1 and subclause 22.3 of the previous Ministerial Directions, all claims for shipments of goods occurring before 1 January 2016 must be lodged before 30 June 2016.
- 10.2.3 Despite subclause 10.2.1, clause 25 of the previous Ministerial Directions has no effect on and after the commencement of \*these Directions.

### **10.3 Saving of registration as a claimant**

- 10.3.1 If, on 31 December 2015 a \*person was registered as a claimant under subclause 11.1 of the previous Ministerial Directions, the person is taken, after that date, also to be registered under clause 4.14 of \*these Directions.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

#### **10.4 Transition period for ‘clause 12 agents’**

10.4.1 If, on 31 December 2015, a \*person was an agent under subclause 12.2 of the previous Ministerial Directions, the person is taken, after that date, to be a \*claims agent under clause 4.1 of \*these directions.

#### **10.5 Review of the operation of the Scheme**

10.5.1 In 2017, the Bureau of Infrastructure, Transport and Regional Economics (the *Bureau*) must review the component of the \*Scheme covering \*eligible northbound goods shipped to the \*mainland for the purpose of \*transshipment. The review must have regard to the volume and value of claims, including from the different industries, and other relevant factors. The Bureau must give the \*Secretary a written report on the review before the end of 2017.

10.5.2 Every four years commencing 2019, the Bureau must review all components of the Scheme. The Bureau must give the \*Secretary a written report on the review before the end of the calendar year in which the review is required to be undertaken.

10.5.3 Before giving the Secretary a report under clauses 10.5.1 or 10.5.2, the Bureau must allow interested parties to comment on a draft of the report.

Note: The Australian Government will consider adjustments to the parameters for the Scheme based on the reports, and will respond publicly to all reports. Details of responses will be subject to Government decision-making and budgetary processes.

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

SCHEDULE 1

**SCHEDULE 1: GOODS ELIGIBLE FOR ASSISTANCE UNDER  
THE NORTHBOUND AND INTRASTATE COMPONENTS OF  
THE SCHEME**

	<b>Code</b>
<b>A</b>	
<b>Asbestos fibres and mixtures</b>	
Asbestos fibres and mixtures	37920
<b>Animal and vegetable oils and fats</b>	
Animal fats like tallow; wool grease	21500
Margarine	21550
<b>B</b>	
<b>Bakery products</b>	
Bakery Products like bread, cakes, buns, etc	23400
<b>Beverages</b>	
Beer in kegs	24340
Beer in cartons	24350
Beer in stubbies or cans	24360
Beer in other packaging	24370
Malt	24320
Malt - Liquid preparations	24330
Cider and other fermented beverages	24230
Fruit juices and vegetable juices	21440
Natural water	18000
Other non-alcoholic beverages	24490
Spirits, liqueurs and other spirituous beverages	24100
Waters (unsweetened/flavoured) except natural water	24410
Wine in an isotainer	24240
Wine in a Pallecon	24250
Wine in cartons	24260
Wine in bottles	24270
Wine in other packaging	24280
<b>C</b>	
<b>Carbon</b>	
Artificial graphite or other carbon preparations	37950
Coke and semi-coke of coal, lignite, peat; carbon	33100
<b>Cement, concrete and articles thereof</b>	
Concrete products	37500
Other cement	37440

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



## SCHEDULE 1

### Chemical products

Calcium carbide	34260
Cleaning and polishing preparations	35300
Colouring matter except Titanium dioxide	34300
Ferric and ferrous sulphate	34230
Other chemical products	35490
Paints, varnishes and removers	35100
Plastaid	34190
Silica fume	34250
Titanium dioxide	34220
Whiting (carbonate of lime)	34210

### Confectionery and chocolate products

Confectionery and chocolate products – other	23690
Liquid chocolate	23680
Sugar confectionery and food preserved by sugar	23670

## D

### Dairy products

Butter and other derived from milk	22240
Casein	22260
Cheese and curd	22250
Condensed milk in Pallean	22220
Milk, processed	22210

## F

### Fertilizers, pesticides

Mineral or chemical fertilizers	34600
Pesticides	34660

### Fibreglass and plastic materials and products

Glass fibres, except woven fabrics	37120
Plastic products	36300

### Fish

Fish, fresh or chilled	21210
Fish, frozen, preparations or other	21220

### Footwear

Footwear	29300
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### Fruit and fruit preparations

Apples – Cartons	01330
Apples – Containers	01340
Apples – Bins	01350
Apples - 3/4 Cartons	01360
Fruit, fresh	01310
Prepared and preserved fruit and nuts	02140

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 1

	<b>Furniture</b>	
	Furniture	03890
<b>G</b>	<b>Glass and glass products</b>	
	Glassware (cullet)	37130
	Other glass articles	37190
	<b>Grain Mill Products</b>	
	Cereals and Cereal preparations	23140
	Wheat flour	23110
<b>L</b>	<b>Livestock</b>	
	Sheep, adult	02110
	Sheep, stud	02120
	Lambs	02130
	Goats, adult	02140
	Kids	02150
	Cattle, adult	02160
	Cattle, Stud	02170
	Calves	02180
	Horses	02190
	Foals, Alpacas	02200
	Deer, adult	02210
	Fawns	02220
	Pigs (weaner)	02231
	Pigs (grower)	02232
	Pigs (finisher)	02233
	Pigs (backfatter)	02234
	Emus, Ostriches	02240
	Donkeys	02250
<b>M</b>	<b>Machine and hand tools</b>	
	Machine and hand tools	42900
	<b>Machinery and transport equipment</b>	
	Machinery, pumps, ovens, lifting equipment	43000
	Agricultural, horticultural or forestry machinery	44100
	Machine-tools, powered hand tools	44200
	Machinery for metallurgy, casting machines	44300
	Machinery for mining, quarrying and construction	44400
	Machinery for food, beverage and tobacco processing	44500
	Machinery for textile, apparel and leather production	44600
	Other special-purpose machinery	44900
	Medical appliances, optical instruments, clocks	48000
	Other precision instruments	48200
	Vehicles	49100

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 1

Trailers and semi-trailers; containers	49220
Transport equipment (ships, railway locomotive)	49300
Aircraft and parts	49600
Other transport equipment	49700
<b>Meat and meat products</b>	
Meat, fresh, chilled, hanging	21110
Meat, frozen, processed, other	21150
<b>Metal and metal products</b>	
Aluminium powder metal, paste and ingot	41500
Ferro silicon	34240
Other metal goods	42990
Other metals, ash and residue containing metallic compounds	41600
Rolled, drawn, folded products of iron and steel, like rods, tubes	41200
Unwrought metals e.g. copper, nickel, lead, zinc	41400
<b>O</b>	
<b>Ores and concentrates</b>	
Low density (Limil)	14270
Other metal ores and concentrates	14280
Rutile, zircon	14250
Tin	14260
<b>Other animal products</b>	
Hides, skins, furskins	02950
Insect waxes like bees wax	02960
Natural honey	02910
Eggs, all forms	02920
Wool	02940
<b>Other minerals</b>	
Salt and pure sodium chloride; sea water	16200
<b>Other transportable products</b>	
Polymer tanks for liquids	36950
Prefabricated buildings	38700
<b>P</b>	
<b>Paper and paper products</b>	
Newsprint	32120
Other paper, paper products and printed matter	32190
Paper	32140
<b>Preparations used in animal feeding</b>	
Preparations used in animal feeding	23310
<b>R</b>	
<b>Raw vegetable materials</b>	
Cut flowers	01930

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 1

	Poppy Straw	01931
	Fodder being donated to mainland farmers	01932
	Fodder being donated for bushfire relief	01933
	Hops	01660
	Live plants, mushroom spawn	01920
	Sedge	01960
	Seeds	01900
	Turf	01940
	Tree ferns	01950
	<b>Refractory products (bricks, blocks, tiles)</b>	
	Refractory products (bricks, blocks, tiles)	37300
	Refractory products (pottery, other)	37310
<b>S</b>	<b>Soil conditioners</b>	
	Coal, lignite	11000
	Cocoa shells, husks, skins and other cocoa waste	39150
	Peat	11050
	Seaweeds and other algae	04930
	Wood chips or particles	31230
	<b>Stone and sand</b>	
	Natural sands	15310
	Pebbles, gravel, broken stone	15320
<b>T</b>	<b>Textile fabric and articles; yarn</b>	
	Floor covering	27200
	Knitted or crocheted fabrics; apparel; furskins; artificial fur	28000
	Made textile articles (blankets, tarps, cushions)	27100
	Yarn; thread; textile fabrics	26000
<b>V</b>	<b>Vegetables and vegetable products</b>	
	Vegetables – fresh	01200
	Vegetables - frozen, processed, prepared or other	21300
<b>W</b>	<b>Waste or scraps</b>	
	E-waste	39960
	Metal waste and scrap	39300
	Miscellaneous textile wastes	39210
	Recycled glass	39290
	Used tyres	39260
	Waste organic solvents like oil	39940
	Waste, scrap paper or paperboard	39240
	Waste, scrap of plastics	39270

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 1

<b>Wood products</b>		
	Hardboard	31400
	Particle board	31430
	Other plywood, veneers, laminates	31420
	Other products of wood, cork, plaiting materials and straw	31900
	Wood, processed	31000
	Wood pulp; other fibrous cellulosic material	32110
<b>Y</b>		
	<b>Yeast</b>	
	Yeast	23990

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 1A

### **SCHEDULE 1A: IMPORTED GOODS INELIGIBLE FOR ASSISTANCE**

(Reserved for future use)

SCHEDULE 2

**ROUTE SCALING FACTORS**

<b>NORTHERN TASMANIA TO / FROM</b>	<b>SCALING FACTOR DIVISOR</b>
<i>King Island or Furneaux Group</i>	<i>1.0</i>
<i>Victoria</i>	<i>1.0</i>
<i>New South Wales</i>	<i>1.8</i>
<i>South Australia</i>	<i>1.45</i>
<i>Queensland</i>	<i>2.4</i>
<i>Western Australia</i>	<i>2.5</i>
<i>Northern Territory</i>	<i>6.8</i>

<b>SOUTHERN TASMANIA TO / FROM</b>	<b>SCALING FACTOR DIVISOR</b>
<i>King Island or Furneaux Group</i>	<i>1.0</i>
<i>Victoria</i>	<i>1.3</i>
<i>New South Wales</i>	<i>1.9</i>
<i>South Australia</i>	<i>1.3</i>
<i>Queensland</i>	<i>2.2</i>
<i>Western Australia</i>	<i>2.4</i>
<i>Northern Territory</i>	<i>4.6</i>

***For the purposes of this Schedule:***

- (a) *southern Tasmania is the area in Tasmania south of latitude 42 degrees south; and***
- (b) *northern Tasmania is the area in Tasmania north of latitude 42 degrees south***

\*A word or phrase with an asterisk in front of it is defined in clause 1.5

## SCHEDULE 3

### SLIDING SCALE OF ASSISTANCE

<b>DRY or *REEFER FREIGHT</b>	<i>ASSISTANCE FORMULA</i>
<i>Class 1 Claimant</i> (NE: \$0 to \$335.50)	$NE + FC$
<i>Class 2 Claimant</i> (NE: \$335.51 to \$671)	$MWW/2 + 0.75(NE - MWW/2) + FC$
<i>Class 3 Claimant</i> (NE: \$671.01 to \$1006.50)	$MWW/2 + 0.75(MWW/2) + 0.5(NE - MWW) + FC$
<i>Class 4 Claimant</i> (NE: \$1006.51 +)	$MWW/2 + 0.75(MWW/2) + 0.5(MWW/2) + FC$ <i>[ie. \$755 + FC of \$100 = \$855 maximum per *TEU]</i>

**Where:**

*NE – means the claimant’s \*notional entitlement.*

*MWW – means the median level of wharf to wharf cost disadvantage for the population of eligible TFES claimants. For the purpose of calculating \*assistance, this is \$671.*

*FC – means \*fixed intermodal cost. For the purpose of calculating \*assistance, this is \$100.*

\*A word or phrase with an asterisk in front of it is defined in clause 1.5



**Top 10 Commodities by TFES Component**

<b>Northbound Domestic</b>	
<b>Rank</b>	<b>Commodity Description</b>
1	Vegetables - frozen/processed/prepared
2	Wood - processed
3	Newsprint
4	Dairy - milk (processed)
5	Vegetables - fresh
6	Fruit - fresh
7	Fish - fresh or chilled
8	Confectionary and chocolate products - other
9	Waste - metal waste & scrap
10	Dairy - cheese and curd

<b>Northbound – other markets</b>	
<b>Rank</b>	<b>Commodity Description</b>
1	Metals - unwrought copper/nickel/lead/zinc
2	Newsprint
3	Metals - aluminium powder/paste/ingots
4	Meat - frozen/processed/other
5	Fish - fresh or chilled
6	Vegetables - fresh
7	Dairy - milk (processed)
8	Natural sands
9	Waste - metal waste & scrap
10	Metal ores - other ores and concentrates

<b>Southbound Domestic</b>	
<b>Rank</b>	<b>Commodity Description</b>
1	Animal feed - preparations
2	Raw vegetable material - fodder/straw or pellets
3	Cereals - wheat
4	Cereals - barley
5	Cereals - mixed or other cereals
6	Plastic products
7	Fertilizers - mineral or chemical fertilizers
8	Chemicals - other chemical products
9	Metal ores - other ores and concentrates
10	Confectionary and chocolate products - other

<b>Imported goods</b>	
<b>Rank</b>	<b>Commodity Description</b>
1	Animal products - fish food/bait or other
2	Flours and meals - vegetable flours and meals
3	Oils & fats - other animal or veg fats/oils
4	Chemicals - other chemical products
5	Cocoa
6	Inorganic chemicals - other basic
7	Minerals - other
8	Plastics - PVC or vinyl chloride
9	Rubber products & tyres
10	Starches - starch products or sugar syrups

<b>King Island Furneaux Group</b>	
<b>Rank</b>	<b>Commodity Description</b>
1	Animals - cattle (adult)
2	Fertilizers - mineral or chemical fertilizers
3	Animals - cattle (stud)
4	Animals - sheep (adult)
5	Animals - sheep (lambs)
6	Animal feed - preparations
7	Plastic products
8	Animals - cattle (calves)
9	Animal products - wool
10	Raw vegetable material - seeds