

House of Representatives
Coastal Shipping Enquiry
Submission Three

12th July 2008

We were informed by Minister Albanese's office Friday a week ago that Rudd Labor would now be regarding the Bass Strait Passenger Vehicle Equalisation Scheme as a Tasmanian tourist industry assistance scheme.

Minister Albanese had been given our "Lady with the Bird" article and his office a document file collated over the last 16 years. This largely independent material raised serious and substantial concerns about the skewing of a very strong National Sea Highway policy introduced by the Coalition in 1996.

We had wondered whether this scheme would ever be directed to deliver comprehensive transport equity. We now know that Rudd Labor couldn't or wouldn't do that.

The people of Australia have been promised Bass Strait transport equity since 1995. In fact, the people subsequently obtained uncapped federal funding and strong federal policy for that purpose after a mandate at the 1996 Federal election.

Both Prime Ministers' Keating and Howard made every attempt to deliver the will of the people. Paul Keating offered equity by a capital injection for a fast ferry, leaving surveillance of on-going equity to a widely representative committee having a strong equity and all-industry, perspective. John Howard committed very substantial demand-driven equalisation funding for consistently priced, all year travel for a driver and car in a four-berth cabin. He also offered funding to maintain annual highway-based parity. This was subsequently rejected by the tourist industry. He left the delivery of equity for passenger fares to competition. When competition did not eventuate, he attempted to make a further offer of \$50 passenger fares on top of a federally funded free car. This offer was also rejected by Tasmanian tourism.

At the last election Rudd Labor accepted Bass Strait as being a "link to the National Highway" and expressed a willingness to move sea access costs "toward the cost of bitumen". Rudd Labor subsequently indexed, in practical effect, the movement of the shell of vehicles. It has not chosen to deliver transport equity to the people inside them. Whilst advocating carbon efficiencies, reasonable incentives, as are offered on any road, to carry more in a car or take a bus fare or equivalent, leaving the Commonwealth taxpayer funded car at home, make sound social and economic sense. They have been ignored. Rudd Labor has, to date provided the money, but no policy to deliver its promised outcome.

Rudd Labor has now, by this recent decision, given away the use of massive, uncapped federal Bass Strait funding without any mandate, limited controls and without any reasonable justification. It has deferred the people's priorities and that of wider industry on both sides of Bass Strait to those of the Tasmanian tourism industry with the knowledge that comprehensive equity is not being demonstrated as a priority by that industry.

What do people do now to access Tasmania, as ordinary people for ordinary reasons, not as tourists on just holiday packages? As total travel costs rise even further, will travelers go back to being just the few "who can afford to come"? What do businesses and industry, on both sides of Bass Strait, do to tinkle the tills, without people? How will Labor remedy the tyranny of Bass Strait, described by a Prime Minister as the "single greatest impediment to the growth of population, investment and jobs for Tasmania"? Who will provide equity over this interstate route, formerly accepted by John Howard as a Commonwealth responsibility?

The Federal Government had a very clear and simple option under the Bass Strait scheme to deliver equity and, through it, to also benefit the Tasmanian tourist industry. It chose not to take this option. Unused shipping capacity, demand driven federal funding and a national sea highway policy were in place. An all-year, consistently priced, equitable sea highway could have been delivered by Canberra virtually overnight.

21/07/2008

Rudd Labor has now given the nation a very clear understanding of democracy. For that we thank you. Over the last 16 years we gave the nation every chance of Bass Strait transport equity through two prime ministers, on three occasions, and were the catalysts of the biggest economic boom in Tasmania's recent history. Regretfully under Rudd Labor we seem to have failed.

We hope that Tasmanian tourism will now be able to continue to justify the existing level of funding, being "equalisation" in name only, from the proceeds of many thousands of voluntary hours of our lobbying. We remind your Committee that from nothing we delivered federal policy sufficient to support a comprehensive equitable link connecting every state of this nation, not just some. We expect that Rudd Labor will find it hard to deliver a more mutually acceptable formula to replace equity.

Perhaps Reuter's recent headline "Australia's islanders think they are modern-day convicts", didn't say enough. Those with a connection to Tasmania, wherever they live, may soon feel they are convicts, denied fair surface access to their nation and their history.

I ask the Committee to recommend equity, and through it assistance.

Peter Brohier