

Division/Agency: DIV - Surface Transport Emissions and Policy

Hansard Reference: Spoken, Page No. 52 (13 November 2024)

Topic: Rate of assistance for logs

Nick McKim asked:

Senator McKIM: Do logs on the back of a log truck attract a different subsidy? What do you call it? A rebate? What do you actually call your payments?

Ms Scott: Rate of assistance.

Senator McKIM: Does a log on the back of a log truck attract a different rate of assistance to a log in a container?

Ms Scott: It would depend on the way in which the particular business claims.

Senator McKIM: Just to be clear, I'm specifically talking about logs that are defined as processed wood. If they were defined in the same way as processed wood—that's 31000 in your codes—would logs defined under that code attract a different rate of assistance on the back of a log truck?

Mr Smurthwaite: The rate of assistance is calculated back to the equivalent of a 20-foot shipping container. The maximum rate northbound is \$855.

Senator McKIM: Per container?

Mr Smurthwaite: Yes. A trailer by its nature is two of those.

Senator McKIM: Is it?

Mr Smurthwaite: Yes, 2.2. When you calculate that back to \$855, if it was a full container load, it would be double the rate of a container.

Senator McKIM: Or 2.2 times the rate of a container?

Mr Smurthwaite: Yes, if it was a full load.

Senator McKIM: I'm trying to understand this in terms of the same volume of timber. Is this done by volume rather than by value?

Mr Smurthwaite: Yes. It's a complex piece—

Senator McKIM: I'm happy if you take it on notice. I don't want to take up too much time on it. I'm happy if you want to consider that on notice. Just to be clear, would the same volume of timber attract the same rate of assistance?

Mr Smurthwaite: There's a full container load comparison which Services Australia does as part of that assessment. It should be similar as a 20-foot container.

Senator McKIM: Could you take that on notice and see whether there's anything you could do to provide any further advice to the committee?

Answer:

If logs are being shipped from Tasmania to the same destination for the same purpose (for example, northbound domestic shipments from the main island of Tasmania to Victoria), the same rate of assistance calculation would be applied to both logs shipped in a container

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and logs shipped using a log truck. The calculation converts the shipment to a TEU equivalent and then applies the assistance calculation in accordance with Part 3 of the Tasmanian Freight Equalisation Scheme Ministerial Directions. A TEU is a standard 6.1 metre/20 foot shipping container.

Conversion factors for trucks and trailers are provided on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website at www.infrastructure.gov.au/sites/default/files/documents/conversion-factors-info-paper-jan2024-v0.1.pdf