

CARAVAN INDUSTRY AUSTRALIA - TASMANIA

ABN: 50 835 219 394

Peter Harris Chairman Productivity Commission Tasmanian Shipping Inquiry GPO Box 1428 Canberra City ACT 2601

Dear Mr Harris,

The Caravan Industry Australia Tasmania (CIAT) welcomes this inquiry by the Productivity Commission into Tasmanian shipping, freight and in particular, the issues surrounding the cost and accessibility for passengers and vehicles across Bass Strait.

Background

CIAT is the member organisation for 50 Caravan Parks, or 95% of all Caravan Parks across Tasmania. The Tasmanian Caravan Industry has a capacity of around 1.7million room nights per annum and is the largest accommodation sector in the State. In 2012/13 Caravan Parks contributed over \$290 million to the State economy, with those using caravans staying an average 35 days in the State. Direct and indirect economic and employment benefits to all areas of the State substantially exceed these figures.

Bass Strait Passenger Vehicle Equalisation Scheme.

Although our Industry has seen a benefit from the increase in air travel into the State over the past few years as a direct result of the heavily discounted fares offered, it is becoming increasingly expensive for tourists to come on the ferry service with their own car or motorhome, possibly towing a boat or trailer.

It is our understanding that the premise behind this scheme is to bring the cost of passenger and vehicle travel across Bass Strait into line with the equivalent cost of travel on any other interstate highway. In this regard the scheme is quite obviously failing.

To travel by vehicle between any of the mainland States, a vehicle can carry up to its maximum number of passengers, tow a registered trailer and the only costs incurred are those associated directly with the running of the vehicle.

To travel across Bass Strait, it is necessary to pay for the vehicle, trailer and passengers, plus because of the speed of the boat, it is nearly impossible to not pay for some form of accommodation or seating to make the trip bearable.

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These costs combined, usually range anywhere on average from \$222.00 for one person and a car up to \$977.00 for a family of four plus a 6 metre caravan for a one way journey. (These figures taken from Spirit of Tasmania website).

This is up to four times the cost of a similar journey between mainland States.

Summary

Tasmania is facing an extremely difficult economic future. The Tourism Industry has remained strong despite considerable pressure from the current economic climate. The Caravan Industry continues to make a substantial contribution to the Tasmanian economy, in particular the regional areas as a result of the longer stay of Caravan tourists.

Fly drive tourists tend to stay more central as a result of the shorter stay. Despite the enormous success of Caravan manufacturing on the mainland, the Tasmanian industry is failing to get their fair share of this sustained growth. The Tasmanian Industry remains at a substantial disadvantage, producing occupancy rates around half the mainland average.

A 2013 survey by the peak national body (CRVA) into attitudes toward travel to Tasmania, showed the high cost of travel on the ferry as the main barrier for caravanners wanting to visit the State.

Our industry believes that making the cost of passenger and vehicle travel across Bass Strait comparable with similar travel on the mainland should be achievable.

Anthony Edwards Chairman Caravan industry Australia Tasmania

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