

# Midas Technical Services

Marine Engineering Consultants

Competitive Genuine Marine Spares Suppliers

ABN: 85 614 626 149

Honourable Ms Ruth Forrest MLC

Chairperson

King Island Shipping Inquiry

Parliament of Tasmania

Via email: [ruth.forrest@parliament.tas.gov.au](mailto:ruth.forrest@parliament.tas.gov.au)

Dear Ms Forrest

I am forwarding my submission as I have involved myself with aim of providing a good and equitable outcome to the King Island community in transporting freight to and from the island.

I am a Marine Engineer and have worked on Australian coast for over 25 years with several years in Bass Strait. I am aware of the issues faced by KI community. I have visited King Island in February 2017 and met with KI Shipping group, livestock carrier and Tasports official to provide a safe and reliable shipping service to the KI community.

The King Island community has never had an equitable shipping service for a long time. The Searoad Mersey served the island with a monopoly and the company decided the sailing schedule. The KI community never had a say in the schedule or the freight rates. The company was charging Fuel surcharge when the price of a barrel of oil dropped from USD 150 to USD 50 and in fact increased the surcharge in February 2017 from 6.8% to 8.6%. Apparently there was no check on the freight rates charged. Tasports also spent all the finances in providing infrastructure to this one vessel. This was evident when we tried to ease the Fertiliser crises in May 2017, by providing a vessel to ship fertiliser directly from the factory in Geelong to Grassy Point KI. This came to a naught because the wharf at Grassy Point could not take the weight of a crane and pick up containers from the ship to the wharf.

When Searoad Mersey service stopped, Tasmanian government had a long period to find an alternate solution and the government failed miserably due to lack of insight. The Port and Coastal fiasco was monumental failure on the government's part. On 26<sup>th</sup> September 2016 I had a meeting with the lawyer representing Port and Coastal Shipping and i apprised him of the pitfalls in their model. My appraisal was not taken on board and the outcome created anxiety and financial burden on the KI community.

In February 2017 I visited KI and held meetings with shipping agent, shipping community and Tasports official to offer my services. However the same day Tasmanian Infrastructure Minister announced Tasports will operate the services to KI. This was as per their consultation with Jebsens Australia (Fertiliser transporter to KI), and they would operate a small landing craft. This landing craft has been found to be extremely inadequate in every respect. The landing craft Investigator is not big enough to provide a weekly service to the Island. The Investigator is very slow at only 6 knots operating speed, the cargo is exposed to the weather causing the livestock and expensive farm machinery to be damaged by sea spray. Investigator cannot handle the rough weather that is normal to western Bass Strait and has to cancel sailings regularly, causing hardship to the community. The livestock exposed to rough weather gets stressed and the quality of meat deteriorates. The Investigator has not been able to provide KI to Mainland Australia service due to its inadequacies. Hence all the cargo to and from mainland has to be transhipped via Devonport increasing the cost of freight. These issues were discussed with Tasports official but apparently they were committed to the Investigator. In March and May 2017 I have tried to assist Tasports to overcome issues that Investigator created.

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In early March 2017, I had offered a PSV to Tasports to service KI. This PSV (and similar vessels) I believe are ideal for the KI shipping service. They have just the right capacity to service the containerised and livestock trade of King Island round the year. I have attached two photos of the type of vessel I have in mind. It can carry 80 x 20 foot containers in two tiers, or 36 x 40 foot containers in two tiers or 18 x 40 foot livestock trailers in single tier. They are of modern design, fuel efficient with high sides that reduce the sea spray considerably and the front half of the cargo deck is protected by the front accommodation to save the vehicles from getting salt water damage. These vessels have passive anti-roll tanks that reduce the rolling movement of the ship and reduce the stress on the livestock during transportation by sea. They can sail to Melbourne, Geelong or Devonport as per freight requirements and eliminate need for expensive long haul land transportation. The KI shipping group was very receptive of my proposal during my meeting and I am in constant communication with the chairperson of the shipping group.

The finance of my proposal is being looked at but I find it difficult to get the accurate freights rates and volumes. I have several investors who are willing to invest in the project. The KI Shipping Group has indicated to me that they are willing to invest in the project so that there is transparency in the cargo operations and they do not get fleeced. I am not on the original "Expression of Interest" list of Department of State Growth, Tasmania. The CEO of the department would not respond to my phone calls. My calls are filtered by his PA "Sherry" and my calls or emails are not returned.

The questions I raise are:

- When will the needs of King Island community be addressed fairly?
- When will the transparency in King Island Shipping be introduced?
- Is Tasports competent enough to run the transportation/shipping business? Apparently Tasports is considering replacing the vessel after six months of plying the Investigator.

I look forward to discuss the issues further. I am willing to travel to KI or Burnie, if required, for further consultations.

Kind regards



Himanshu Desai

Director

Midas Technical Services Pty Ltd

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Stern Doors to be replaced with  
Stern Ramps for Limestone Trainers  
or Cassettes

3T 2.1-16 M





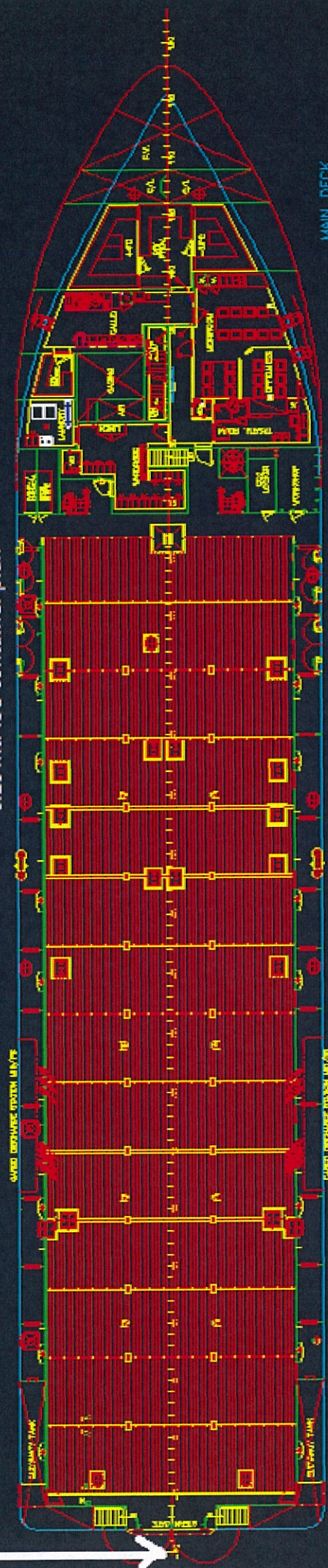


A-DECK {12}  
8 x 2M

## 12.2 mtr ISO Container and Livestock trailer placement plan

## 6.10 mtr ISO container plan

Swing doors can be modified to Stern ramp



Hi Himanshu,

Yes, we did have a good meeting with Geoff Page and I believe Tasports is going to be able to accommodate his cargo requirements. However we may need to add an additional weekly sailing during the busy start-up phase with April and May being the heaviest cargo months.

In regards to your proposal, yes Tasports is prepared to consider it but even if it proves workable and attractive to the cargo interests, such a service could not be implemented until the Tasports service has been operating for at least 6 months. Tasports has chartered the *Toll Investigator* on a 6+6 months bareboat charter so it would cost us significantly in lost earnings should an additional service commence operating in the trade prior to the expiration of our own vessel charter.

There is no point pursuing Alan Garcia any further because the State Government has given Tasports the authority & responsibility to transition from the 'emergency' Tasports service to a private operator, should a private operator be able willing to implement such a service.

I hope that clarifies the current position. All the best with your proposal.

Best regards

## Allison Waddington

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**From:** Ruth Forrest  
**Sent:** Monday, 24 July 2017 10:45 AM  
**To:** Allison Waddington  
**Subject:** FW: Submission to King Island Shipping Inquiry  
**Attachments:** Vessel backdeck.jpg; Vessel to carry 80 TUE.png; MTSPL KI Shipping Inquiry 21.07.17 Pg2.pdf; MTSPL KI Shipping Inquiry 21.07.17 Pg1.pdf; Tasports email Mar17.docx

Here is another that was sent last week

*Hon Ruth Forrest MLC  
Independent Member for Murchison  
Parliament of Tasmania*

[www.ruthforrest.com.au](http://www.ruthforrest.com.au)

*I have sent this email at a time that is convenient for me. I do not expect a response until it is convenient for you.*

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**From:** Himanshu Desai [<mailto:himanshu@midastechnicalservices.com>]  
**Sent:** Friday, 21 July 2017 5:25 PM  
**To:** Ruth Forrest <[ruth.forrest@parliament.tas.gov.au](mailto:ruth.forrest@parliament.tas.gov.au)>  
**Cc:** Yvonne Stone <[Yvonne.Stone@parliament.tas.gov.au](mailto:Yvonne.Stone@parliament.tas.gov.au)>; info <[info@midastechnicalservices.com](mailto:info@midastechnicalservices.com)>; [desaih52@gmail.com](mailto:desaih52@gmail.com)>  
**Subject:** Submission to King Island Shipping Inquiry

Dear Ms Forrest

With reference to my conversation with Ms Stone on 19.07.17, I am forwarding my submission. I have attached the following as part of my submission:

1. MTSPK KI Shipping Inquiry 21.07.17 Pg1 and Pg2.
2. Vessel to carry 80 TEU.png
3. Vessel backdeck.jpg
4. Tasport email March 17.

I look forward to discuss any issues raised further and am willing to attend any meetings on the subject.

Kind regards

Himanshu Desai  
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