

Incitec Pivot Limited

Mr Stuart Wright
Inquiry secretary
Legislative Council
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Incitec Pivot Fertilisers is a key nutrient supplier to the King Island agricultural community. We have been involved in supply and distribution of fertiliser products for twenty five years.

Our reputation for quality distribution and agronomic services on the Island place IPF as the largest supplier of fertiliser into King Island. Product for King Island is sourced through our Geelong manufacturing plant in Victoria.

Our submission is based on the changes experience from the incumbent provider Sea Roads to the newly establish Bass Island Line service. Issues raised from the transition to Bass Island Line are from IPF's ability to service customers as diminished trading abilities from Melbourne to Devonport.

The new shipping line does not own assets such as containers. IPF had to take up lease agreement for equipment hire of containers. Due to the infrequent movements with the vessel additional containers were required to be leased.

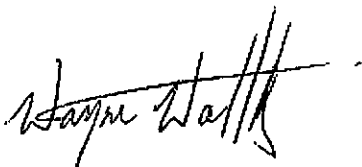
The transfer of containers between Melbourne and Devonport on TT Line would only occur during the weekend sailing. TT Line is a passenger carrying vessel, containers were considered hazardous and would not be shipped until weekend sailings.

Communication of where containers were sitting at which port was lacking initially, especially when container had been sitting in port for three weeks IPF were unable to give an ETA to our customers.

IPF have also suffered a loss in sales due to inability to supply customers during the season, as required. We have estimated a \$380k loss over the eight week season. Influenced by farmers deciding not to fertilise, either for IPF to provide the product when it was required. IPF's limitation were due to ability to book passage for the fertiliser to arrive at the appropriate time.

We request that the impacts to our business are acknowledged and improvements are made to the freighting arrangements.

Kind Regards,



Wayne Walker
Logistics Manager – South & West
Incitec Pivot Fertilisers

Allison Waddington

From: KIF
Subject: FW: King Island Freight Services - Terms of Reference
Attachments: Tasmanian government freight arrangement impacts IPL.PDF

From: Wayne Walker [<mailto:wayne.walker@incitecpivot.com.au>]
Sent: Wednesday, 26 July 2017 1:26 PM
To: KIF
Subject: RE: King Island Freight Services - Terms of Reference

To Whom it may Concern

Please find attached a short statement which outlines the impacts to the Incitec Pivot business.

The change in freight providers into King Island has been a significantly difficult time for our customers, our freight providers and ourselves. The cost has been significant to IPL which we have discussed in our impacts statement but the inevitability of an ongoing cost impost, which has an impact on the livelihood of the King Island community, is very disheartening.

Hopefully the process the Tasmanian Government is working through rectifies this situation.

Regards
Wayne Walker
Logistics Manager
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