



**King Island Regional Development
Organisation Inc**

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26/06/2017

Dear Stuart

To: The inquiry from the COC/KIRDO

On behalf of our members we wish to make the following comments for consideration.

King Island has historically been strongly linked to the mainland for our commercial inputs as this has always been far more efficient for freighting goods by sea or air as most goods and spare parts are not readily available or in stock in Tasmania. In some cases, business contacts and relationships with suppliers have developed over decades, it is unrealistic to expect the local businesses to build new contracts for goods and services and pay the extra freight out of Tasmania. Also, our Tourist and passenger traffic is predominantly with Victoria and the extra flights per day mean emergency parts can come quickly.

There has recently been a 15% freight increase through the major freight forwarder due partly to wharfage costs at Devonport, extra cost relocating boxes and working with continually changing schedules.

Other concerns are the freight prices going forward, no indication has been given other than the proposed 20% increase to Victoria that has been put on hold during the interim period.

Either way any increase is unacceptable as our costs are already hindering our potential to grow and gain confidence.

We thank you for this opportunity to have input.

Sincerely,

Fay pilon/on behalf of Heidi Weitjens