Tasmanian Freight Equalisation Scheme Information Paper

This information paper is made under subclause 8.3.1 of the Ministerial Directions for the Tasmanian Freight Equalisation Scheme (TFES).

TFES Southbound Assistance

The southbound component of the TFES provides financial assistance for eligible claimants for eligible goods shipped from mainland Australia to Tasmania.

General Eligibility

You may be eligible for TFES southbound assistance if:

- You are predominantly engaged in the manufacturing, mining, or agriculture, forestry and fishing industry, and
- You have incurred and paid the cost of shipping the goods, and
- You or any other person have not claimed and received TFES assistance for the goods previously, and
- Your shipped goods are 'eligible southbound goods', meaning:
 - You are engaged in the manufacturing industry in Tasmania and the goods are raw materials or equipment for use in your manufacturing processes; or
 - You are engaged in the mining industry in Tasmania and the goods are raw materials or equipment for use in your production processes; or
 - You are engaged in the agriculture, forestry and fishing industry in Tasmania and the goods are material inputs to, or machinery, implements and equipment for use in your business activities.

Clause 2.9.3 of the TFES Ministerial Directions lists the following that are not eligible southbound goods under TFES:

- a) imported goods which:
 - (i) the Secretary is satisfied have an Australian equivalent; or
 - (ii) are listed in Schedule 1A; or
 - (iii) were loaded onto a ship for the journey to Tasmania at a port that was not on the mainland; or
 - (iv) have a date of shipment that is before 1 July 2021 or more than 6 months after the goods were imported to Australia from overseas;
- b) fuels and lubricants;
- c) goods of Tasmanian origin which have not undergone a manufacturing process on the mainland before shipment back to Tasmania;

- d) building and construction materials and equipment;
- e) motor vehicles for the manufacturing and mining industries, if they are to be registered for use on public roads;
- f) goods shipped as bulk cargo

How to claim TFES southbound assistance

1. Register for TFES southbound assistance

To be eligible to claim TFES assistance for southbound shipments of eligible goods, you must first complete and submit to Services Australia the following form.

• Registration and change of details form (TAS020)

This form can be found at https://www.servicesaustralia.gov.au/organisations/business/forms

You will be notified of the outcome of your application. If approved you will receive details on how to lodge claims using the Services Australia online system.

2. Register new southbound goods:

For TFES southbound manufacturing and mining claims

If you are registered for claims relating to the manufacturing and mining industries, you must first register the goods you intend to make a claim for, so that Services Australia can determine if the goods are eligible.

Eligible goods can either be domestic goods or imported goods.

Goods that are manufactured or grown on the mainland of Australia, including any goods that have undergone a manufacturing process on the mainland of Australia, are registered as domestic goods.

Goods that are imported from overseas, that are shipped to Tasmania from a mainland Australia port and do not have an Australian equivalent, are registered as imported goods. Imported goods claims can be made online on 1 October 2021, for eligible shipments from 1 July 2021 onwards.

Please complete and return to Services Australia the following forms:

- Manufacturer's and Miner's application to register southbound goods (TAS025)
- *Manufacturer's Certificate (*TAS027) (*for domestic goods only*) to provide Services Australia with evidence that the goods being transported are:
 - o manufactured/grown, or have undergone a manufacturing process, on the mainland of Australia

- Supplier's Certificate (TAS028)
 - For domestic goods required when the goods are purchased directly from a Tasmanian supplier or a mainland Australia supplier
 - o For imported goods required when all necessary shipping details for the goods purchased from a supplier cannot be provided with each claim.

*Note: Imported Goods can only be registered from 1 October 2021. The registration forms to register Imported Goods will be available from 1 October 2021 on the Services Australia website.

For TFES southbound agriculture, forestry and fishing claims

If you are registered for claims relating to the agricultural, forestry and fishing sectors you can lodge your southbound claims without first registering the goods. Services Australia will determine if your goods are eligible during assessment of your claim. You may be asked to provide further information about the goods being claimed.

3. Make a TFES southbound claim

Once you are registered as an eligible TFES southbound claimant and have registered goods for which you wish to claim TFES southbound assistance (manufacturing and mining industries only), you can lodge a southbound claim.

Claims should be made online using the logon ID and password provided when you registered. The required supporting evidence must be uploaded to your claim online.

If you are claiming domestic goods, and are unable to lodge an online claim, you can complete and submit the following form to Services Australia:

Claim for Assistance – Domestic goods (TAS002)
 Evidence must be attached to the form to support all details of your claim.

If you are claiming Imported Goods you must lodge your claim online.

Please note there are different requirements for the lodgement of different types of TFES southbound claims.

This information paper focuses on the general requirements for TFES assistance for southbound claims. For more information on eligibility requirements for imported goods under TFES, please refer to the Information Paper 'TFES Assistance for Imported Goods'.



Determining eligible goods and engagement in an eligible industry

To be eligible for TFES southbound assistance, you need to be predominantly engaged in the manufacturing, mining, or agriculture, forestry and fishing industry in Tasmania.

Furthermore, you also need to provide evidence that the goods for which you wish to claim assistance are (depending on your industry) raw materials, material inputs, equipment, machinery or implements necessary for your key business activities.

An example of a claimant shipping eligible goods whilst engaged in an eligible industry:

• A manufacturer requiring specialised tooling shipped from mainland Australia to conduct their primary business activity of manufacturing automotive parts.

Services Australia may require further advice or evidence from you on your predominant business activity, and may use information from sources additional to those you provided to determine your engagement in an eligible industry, and the eligibility of the claimed goods.

The <u>Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006</u> is a key source of information on the classification of Australian business activities. For more information on the use and relevance of the ANZSIC to TFES, please refer to the TFES Information Paper – ANZSIC.

Claims from individuals or business entities that cannot show sufficient engagement in an eligible industry, or can only show engagement in an eligible industry that is not related to their primary business activity may be refused registration.

Services Australia will similarly assess the extent to which the goods you wish to receive transport assistance for is actually used in your business activities, and may refuse claims for goods that show no or weak links to the primary business activities you undertake.

Examples of applications for registration or claims that would be refused assistance under TFES southbound:

- A fashion retail business applying to claim TFES assistance for fertiliser shipped from the mainland for their hobby farm.
- A manufacturer of built-to-order kitchens applying to claim TFES assistance for a shipment of sink taps. The sink taps would not be considered a raw material or equipment used in the manufacture of kitchens, as they are associated with the installation of the kitchens.

Further Information

Please visit the Services Australia website (link below) for more detailed information on the process for submitting a southbound TFES claim.

https://www.servicesaustralia.gov.au/organisations/business/services/centrelink/tasmanian-freightequalisation-scheme

Contact Us

Department of Infrastructure, Transport, Regional Development and Communications

Enquiries relating to TFES policy should be directed to:

Tasmanian and Shipping Programs Section
Department of Infrastructure, Transport, Regional Development and Communications
GPO BOX 594
Canberra ACT 2601

Email: TasmanianShipping@infrastructure.gov.au

Services Australia

Enquiries relating to program delivery, claims, payments and other operational matters should be directed to:

Tasmanian Transport Programs Services Australia GPO Box 1269 HOBART TAS 7001 Phone: 13 11 58

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For further information, please see Clauses 2.8 to 2.11 and Clause 4.14 of the TFES Ministerial Directions.