

More disappointment for Mackay irrigators

CANEGROWERS Mackay CEO Kerry Latter today expressed disappointment that the hardship currently faced by Queensland irrigators, including many sugarcane farming families in the Mackay and Plane Creek districts, was not being recognised by the Queensland Government.

CEO Kerry Latter was commenting on the fact that prices for irrigation power remain high and unchanged under the Queensland Competition Authority's determination for electricity prices released today.

"The prices for irrigation tariffs T62, T65 and T66 are unchanged and will remain at their high 2018-2019 levels in the Ergon network from 1 July," Mr Latter said.

"This is very disappointing, given that other sections of the community are being recognised and given a respite from electricity costs," he said.

"Despite the fact that sugarcane farming families are small business people that happen to farm, they will not benefit by receiving the 5.8 per cent decrease for the small business tariff (Tariff 20).

"Irrigation electricity tariffs in Queensland have risen a minimum of 136 per cent over the past decade, and for some by more than 200 per cent, while the CPI has increased by just 24 per cent over the same period.

"Yet in the QCA decision today, there is no relief given for irrigators and they have been singled out to bear the brunt of the burden of cost increases. This is despite the fact that cane growers are doing it tough due to the low price of sugar, necessitating the need for a second farm income to make ends meet. They are seemingly being punished for producing a valuable export crop for Queensland and Australia at a time when the focus of the Government should be on helping growers to achieve maximum productivity and quality of the cane."

Mr Latter said that with prices for electricity and water so high in the district, growers would be considering turning off the pumps that irrigate their crops: "This will mean less production and hence less disposable income to spend in the region with an economic impact not only on growers' families but also the broader community. It will also mean investment in district water infrastructure and irrigation efficiency and productivity will be further undermined," said Mr Latter.

Mr Latter noted that many irrigators would face further price increases when they were forced onto standard tariffs in mid-2020.

"These price hikes are likely to be in excess of another 50 per cent and indicate the consequences of the monopolistic practices of Ergon in this district. We call on the government to implement the ACCC's blue print for fixing electricity prices and restoring Australia's competitive advantage."

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