

MEDIA RELEASE



CANEGROWERS
MACKAY

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MEDIA OPPORTUNITY

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CANEGROWERS Mackay 120 Wood Street.

MEDIA RELEASE

CANEGROWERS Mackay urges Mackay Regional Council to reconsider its position on agricultural land ratings categories

CANEGROWERS Mackay urges Mackay Regional Council (MRC) to reconsider its position on the agricultural land ratings categories, as council heads to vote on budget this week.

CANEGROWERS Mackay Chairman Kevin Borg said that having spoken with MRC councillors both before - and since - the 2023-24 budget it seems that council have again ignored the inequitable rating system on rural and cane categories.

Sugarcane is on the brink of a revolution that will assist this region's economy as it diversifies to renewables making it a stable source of renewable sources of fuels, fibres and foods

There has been strong support from the State Government to develop the sector, but to realise any sugarcane based biocommodities, there is a real and urgent need to preserve land under cane. Further, mills are an integral asset to our industry and need throughput to remain viable.

"Cane farming land is being challenged by the pressures of our city's growth," said CANEGROWERS Mackay Chairman Kevin Borg.

"The city has expanded, taking up a large portion of cane land in and around the alluvial delta of the Pioneer River. Some of the best, most productive growing land has now been taken up by housing, manufacturing facilities and concrete pathways."

As a result of urban expansion, growers in these areas have been challenged by a double-whammy of high State Land Valuations, primarily based on the rising prices of nearby residential and industrial land. To add insult to injury a cents-in-the-dollar rating of cane land has been maintained by council that is more in line with what is charged for big Paget workshop enterprises rather than comparing it with other rural land uses in this region.

In farming, high valuations do not reflect the returns made from the land but is only an indicator of an unrealised value attached to it.

"The reality is, cane farms are quite different to many businesses. The price we receive for our sugar is such that growers simply cannot pass on their ever-increasing costs to absorb over-inflated rates bills. We are heavily exposed to the fluctuations of world market prices, making us price takers and not price makers. Most businesses can increase their prices to absorb cost increases. Cane growers absolutely do not have that liberty," he said.

According to Mackay Sugar milling area data recorded by CANEGROWERS, since 2007 there has been almost 12,000 hectares of land taken out of cane production: a drop of 13.63%.

Mr Borg said he appreciated that Mackay Regional Council had reduced the cents in the dollar rate from 2.77 to 2.25 on the cane land category last year, which brought savings to some growers, but not to some 40% of growers who experienced steep rates increases- some to dizzying numbers well in excess of \$10,000. This went no way to apprehending the problem for those 40 percent that are unfairly impacted.

“We have heard from growers who have faced rates bill increases since the last round of land valuations, of over \$18,000. This is unacceptable,” said Mr Borg.

According to research conducted by Queensland Economic Advocacy Solutions on behalf of CANEGROWERS, Mackay Regional Council has the highest rates on cane land of comparable Category 4/5 Councils.

“We recognise that council has to address meeting its own rising costs, but it does not solve that problem by beating a select section of growers over the head with almost unmanageable rates costs, just as the industry stands ready to offer a bio-commodity boon to the regional economy, with attendant manufacturing, educational and technical opportunities,” said Mr Borg.

“The ratings structure separated cane out from other rural land in 2007, privileging other agricultural pursuits over cane. That is unreasonable.

“Further, we urge Council to consider that the majority of cane farms are family-run enterprises that contain family homes.”

The State Government has issued the [Guideline on Equity and Fairness in rating for Queensland Local Governments](#), which Queensland CANEGROWERS has encouraged all Local Governments to formally adopt. It says that land used for similar purposes should be similarly rated.

“We aren’t asking for special treatment. We are asking for equitable treatment. We are asking for rating policies and practices that support farming – whether of livestock, cane, or any other produce,” said Mr Borg.

“This region has long known that it needs to be more economically diverse. We need Council policies that support the growth of cane farming alongside a growing regional population.

“Council has the power to determine its rating categories. We urge it to reconsider its approach on rural rating and bring the rates of those growers grappling with steep increases back to an acceptable level.”

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IMAGES of cane farm/Kevin Borg/ Joseph Borg available [here](#)